

NY

The NATIONAL UNDERWRITER

Life Insurance Edition

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FRIDAY, OCTOBER 30, 1936

FIFTY DIRECT MAIL LEADERS OF 1936



This is to certify that the Direct Mail Campaign
submitted by

*The Ohio National Life Insurance Company,
Cincinnati, Ohio.*

has been selected because of the results achieved to form
part of the 1936 Direct Mail Leaders Exhibit
sponsored by the Direct Mail Advertising
Association. This Exhibit, a collection of fifty
outstanding campaigns of the year, will be shown
throughout the United States and Canada in an
effort to promote a greater understanding and apprecia-
tion of the effectiveness of Direct Mail Advertising.



Board of Judges

W. H. L. L. L.

W. H. L. L. L.

The Ohio National Direct Mail Sales Portfolio is available to all ONLI Salesmen!
The Ohio National Life Insurance Company—Cincinnati
T. W. APPLEBY, President

The NATIONAL UNDERWRITER

Fortieth Year—No. 44

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 30, 1936

\$3.00 Per Year, 15 Cents a Copy

Yield Down, Must Save Elsewhere

**McCankie Urges Standardization
of Settlement Directions, Re-
striction on Annuity Sales**

ADDRESSES ACTUARIES

**Suggests Companies Have Gone Too
Far in Making It Easy for As-
sured to Pay Premium**

WHITE SULPHUR SPRINGS, W. VA., Oct. 29.—In order to compensate for the effect on dividends to policyholders of the declining interest rate and capital losses suffered by the companies, insurance executives should review all of the elements of their business to determine if any savings can be realized from other sources. This recommendation was made at the joint meeting of the American Institute of Actuaries and the Actuarial Society of America by R. C. McCankie of the Equitable Life of Iowa, in his address as president of the Institute. He suggested several lines of inquiry and how savings might be effected. He examined the double indemnity, disability, annuity and investment contract situation. He gave particular attention to settlement options, advocating a charge against those who desire complicated disposition of policy proceeds and recommending that these settlement directions be standardized and simplified.

Double Indemnity Feature

"The fundamental principle of our business—to provide the maintenance of homes for widows and orphans—should always be considered of first importance," Mr. McCankie declared, "and the large body of policyholders who purchase this type of coverage should not be required to pay a higher cost because of losses incurred in issuing contracts for other needs. I refer particularly to the additional benefits and so-called services which a company gives its policyholders. If these benefits or services are a source of expense to the company and the advantages therefrom are not shared equally by all policyholders, the result is that certain groups of policyholders benefit at the expense of others."

In recent years, he observed, there has been a development in multiplicity and complexity of contracts and extra-contractual agreements.

In discussing double indemnity, he said that this benefit has proved to be reasonably profitable in most companies but he warned against over stressing it in the sale of life insurance. Litigation is becoming more frequent on claims involving the payment of the accidental death benefit. This litigation is expensive and if decisions unfavorable to the companies are handed down, there will be a legal extension of the benefit for

(CONTINUED ON PAGE 20)

Solid Program for Life Advertisers Association

MEET IN CHICAGO NOV. 12-14

**Making Good Advertising and Sales
Promotion More Effective Is
the Theme**

Built around the theme of "making good advertising and sales promotion more effective," the program for the annual convention of the Life Advertisers Association in Chicago, Nov. 12-14 at the Edgewater Beach hotel, will bring to the platform an array of notables.

General chairman is Cyrus T. Steven, Phoenix Mutual.

By opening its convention on the closing day of the annual meeting of the Sales Research Bureau, the Life Advertisers Association anticipates a large attendance of life agency officers. On the afternoon of Nov. 12, the Life Advertisers will join in the closing sessions of the bureau meeting while agency executives have been invited to attend the banquet of the Life Advertisers Thursday evening.

A. E. Patterson Scheduled

Heading the list of notables who will address the convention is Alex E. Patterson of Chicago, president National Association of Life Underwriters.

Lynn S. Broadbuss, Chicago manager of the Guardian Life, will likewise express the man in the field's view on direct mail advertising.

Among the other speakers and their subjects are:

Troy M. Rodlun, advertising manager Acacia Mutual, "Advertising as a Management Tool;" W. J. Cows, publicity department Mutual Life of Canada and president Canadian Life Advertisers Association, "Greetings from the Canadian Association;" Ernest L. Guttererson, superintendent of field service, California-Western States Life, "Better Plane Builder Than Pilot;" Karl Ljung, assistant secretary Jefferson Standard, "Contests Over the Air;" Harry Richardson, editor Mutual Benefit, "What We Have Learned About National Advertising;" B. N. Mills, secretary Bankers Life of Iowa, "National Magazine Advertising."

Other Speakers Named

Others are: James M. Blake, manager field service department, Massachusetts Mutual, "Today's and Tomorrow's Sales;" C. S. Rathbone, secretary Occidental Life, "Effective Radio Advertising;" Lewis B. Hendershott, manager of agencies Berkshire Life, "Who Is Key Man in Success of Direct Mail Advertising?;" W. T. Plogstherth, director of publicity and field service Lincoln National, "Quality Campaigns;" E. E. Kirkpatrick, superintendent of agencies Ohio National, "How to Make Direct Mail More Effective;" Rensis Likert, head of research department Sales Research Bureau, "Measuring Sales Effectiveness of Radio Programs;" A. Paul Speicher, Insurance Research & Review Service, "Relations with the Public and Policyholders;" Fred O. Lyter, assistant superintendent of agencies Connecticut Mutual, "Visual Selling Applied to Recruiting;" Thomas J. Hamner, director of agency service, Protective Life, "Reminder Advertising;"

Scarcity of Skilled Office Workers Becoming Problem

SLUMP CURBED APPRENTICES

**Competition for Services Threatens to
Inflate Their Salaries, Disturb-
ing Personnel Generally**

NEW YORK, Oct. 29.—The shortage of skilled office workers under 30 years of age in the New York metropolitan district, which is analyzed in "Current Conditions," issued by the National Employment Exchange, was a major topic of discussion at the office management conference sponsored by the American Management Association.

This bulletin points out that the shortage is the inescapable result of the inability of younger men and women during the depression to find employment which would develop them to the point where they would be skilled workers today. This is causing employers to modify their usual specifications for employees as to years of experience.

Rise in White-Collar Hirings

The publication points out that with the exception of April and May, when there was a slight falling off in demand as compared with last year, every month thus far in 1936 has recorded a heavier volume of white-collar hirings than the corresponding month last year. The total demand for the first three quarters of this year showed a net increase of 19.9 percent. Women are in greater demand than men, in a slightly greater ratio than three to two but the male side of the market showed the larger percentage of improvement over last year.

The threatened scarcity of employees in their twenties, which was forecast by "Current Conditions" a year ago is now definitely showing itself, the publication states. Today's experienced workers who came in from 1930 to 1934 are too few to supply the demand for their services. Competition is creating salary restlessness among them.

The National Employment Exchange holds that more beginners and juniors must be hired and developed into seasoned workers or else older people must be taken on for these jobs, pointing out that in no other way can salary scale in the intermediate age bracket be kept from getting much too high, a result that would cause disturbance throughout the entire personnel structure.

J. P. Lyons, advertising manager, Manufacturers Life, "Newspaper Advertising;" S. A. Swisher, Jr., superintendent of agencies Equitable Life of Iowa, "Newspaper Advertising" and John H. McCarroll, advertising manager Bankers Life of Iowa, "Company Literature for Recruiting Salesmen."

Approximately 100 will enter in competition nearly 500 individual displays, according to A. Scott Anderson, Equitable Life of Iowa, who has charge of the exhibits.

The exhibit will be set up in the hotel, and the entries judged, on Nov. 9, so that life agency officers, in Chicago the following three days for their meeting, will also inspect the creations.

(CONTINUED ON PAGE 21)

Court Curbs Life Extension's Field

**Institute to Cease Examinations
But Separate Doctors' Group
Will Make Them**

SAME SERVICE AVAILABLE

**Arrangement Marks End of New York
Attorney-General's Action to
Dissolve Organization**

NEW YORK, Oct. 29.—The Life Extension Institute, which for more than 20 years has been making physical examinations for life companies and others, can no longer make these examinations, according to an injunction signed this week by the supreme court referee, J. C. Myers. This concludes the action begun by Attorney-General Bennett two years ago on the ground that the institute was practicing medicine when it made these physical examinations, even though there was admittedly no other ground for the charge.

The decree was entered on a stipulation of settlement consented to by the institute, it was pointed out. The action as originally instituted by the attorney general was to dissolve the institute, and that attempt is now dropped. In return, the institute has voluntarily agreed to cease conducting physical examinations itself, although its charter expressly granted it the right to do so.

Same Facilities Available

With certain changes in the details of handling cases, the same facilities and personnel will still be available to life companies and other clients of the institute. Physicians who formerly made the examinations directly for the institute have now severed their connections there and will make the examinations hereafter as independent doctors. However, offices will be supplied and available to them will be the vast body of data and experience accumulated by the institute in its long career.

The institute will supply these physicians with other technical facilities the same as in the past. In addition the institute will carry on its work of issuing publications on life prolongation and otherwise promoting the cause of longer life.

Formed in 1913

The Life Extension Institute was formed in 1913 by a group which included such eminent citizens as former President Taft, General Gorgas, Prof. Irving Fisher of Yale, Robert W. De Forest and Harold A. Ley. It is interested in the preservation not only of the health of the individual but of the general public as well, to the end that human life may be extended or prolonged.

Facilities of the institute have been widely used by life companies. Some

(CONTINUED ON PAGE 21)

Getting Acquainted with the "Freshman" President of John Hancock

Some 3,500 field representatives of John Hancock Mutual in the past two weeks have had an opportunity to get acquainted with their "freshman" president, as he characterizes himself with a twinkle in his eye. President Guy W. Cox, together with several other head office officials has been on the circuit, making one day stands for the most part and a two day stand in Chicago. The others in the party were Vice-President E. H. Brock, the agency executive in charge of the industrial business; J. Harry Wood, the "freshman" agency executive in charge of ordinary production and J. W. Messenger, assistant superintendent of agencies.

The home office contingent was in fine spirit during the trip. During the first nine months of this year insurance in force has increased by about \$175,000,000 and the business in force of the company stands at an all time high of \$3,778,000,000.

Likes to Have People With Him

The prediction can safely be made that Mr. Cox's administration will be a popular one. The president is human and has the faculty of getting under the skin of people in very short order. He is not an orator, but on the platform he is poised, knows what he wants to say and creates the impression that he is speaking individually to every person in the room.

Mr. Cox likes to have people with him and around him.

At first contact, Mr. Cox appears somewhat formidable and austere. He is not effusive and one gets the impression that he may be non-communicative. However, that first impression is dispelled very shortly. In a quiet way, he very soon creates a comfortable and easy atmosphere. Before long there is a distinct feeling of warmth between Mr. Cox and his new acquaintances. He has a real interest in the individual and he has a friendly, interested twinkle in his eye that draws the person with whom he is talking close to him. Too, the impression that he is uncommunicative is very shortly dispelled. He talks freely, always putting his finger on the capital point under discussion and gives thoughtful, honest conclusions.

Quaint Manner of Speaking

Mr. Cox has somewhat a quaint manner of speaking. In initiating a subject or beginning to answer a question, he employs what might be described as a Bostonian version of a Will Rogers drawl. It emanates from a deep spring and has the effect of reducing matters of moment to a common place level, where they can be treated without intensity and in a calm, sensible manner. The drawl is probably something of a mannerism that gives Mr. Cox an opportunity to collect his thoughts and proceed. After this initiatory drawl, he speaks with precision. In speaking, his tone increases to a point of emphasis and then dies off. Then he starts up again with emphasis. On matters, concerning which Mr. Cox has convictions, he speaks with marked firmness and on these occasions one feels his quiet, but effective force.

On matters concerning which Mr. Cox is enthusiastic, such as the improved health of the wage earner, the gains being made by the John Hancock, Mr. Cox becomes decidedly expansive and indeed loquacious.

Mr. Cox exhibits no nervousness about other business to be done or engagements to be kept in talking to visitors. The visitor feels perfectly comfortable. When the time comes, Mr. Cox unostentatiously glances at his watch, apologizes for having to keep another engagement, puts a friendly hand on the arm of

the visitor, who departs, a warm admirer.

Mr. Cox is optimistic as to the immediate future. He believes that business activity can be held back no longer, that it has been "repressed" for so many years that it is bound to surge ahead and he is inclined to feel that the election will be the signal for this forward movement, no matter who is elected. He is not an alarmist on the matter of inflation. His theory is that the people will not countenance any course that they know is destructive. Apparently he feels that if and when a really dangerous step is proposed, the will of the people will assert itself and stop it.

Social Security

As for social security, Mr. Cox believes that if the program is not extended beyond its present confines that it will not compete with life insurance sales and will even be an impetus to life insurance production, as was war risk insurance. The social security act provides that if an employee desires to secure pension benefits in excess of those which can be purchased from the standard percentage deductions from wage he may do so. The law provides that he may arrange for benefits purchasable by as much as 10 percent of his wages. However, permission to purchase a government annuity of that size must be given by the government authorities.

"If federal aid for pension payments is limited to the very modest amounts thus far proposed," said President Cox, "many people will not be satisfied with the bare subsistence that is provided and will want to build up larger incomes for their later years. They will buy annuities from their own incomes. I am convinced that, if the government leaves this social security field open to insurance companies, by limiting the amounts it contributes, there will be further gains in life insurance sales."

Mr. Cox observes that currently production in the industrial field is good and that persons in moderate circumstances are heavy purchasers of insurance. There is a distinct absence of

large purchases on the part of men of means. Mr. Cox attributes the increased responsiveness in the industrial field to increased employment and increased wages. On the first of October the John Hancock introduced a monthly premium policy and the company is watching the acceptance of this closely.

Good Agency Man

Mr. Cox is vitally interested in the life insurance end of the business. He is a good agency man. He notes with a great deal of satisfaction reports that production generally was ahead during September.

Mr. Cox is thoroughly at home in discussing investment matters. As to the future of interest rates, he has no predictions, except that one gathers that he has a rather optimistic hunch. He indicated the belief that business and industry is due for a sharp forward movement and when that occurs and there is a demand for funds then "anything can happen." On the other hand, he is dismayed at the continued drop in interest yield. He observed that the John Hancock purchased short term government bonds until the management had all that it wanted. Then the decision was made to purchase longer term government bonds. Ten year bonds were purchased to yield 2 3/4 percent. Then it was necessary to go to 15 or 20 year bonds for the same yield. He is distressed because of the refinancing operations that are accomplished with a good advantage in the way of service charges to the borrower.

To say that Mr. Cox is dismayed and distressed is perhaps an over statement. He does not indicate any doubt as to the strength of the underpinnings. He doesn't like the trend because he doesn't like to see anything taken away from the investor.

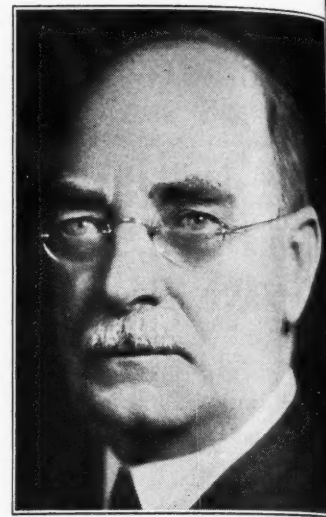
John Hancock, which was something of a pioneer in the farm mortgage field, is now making a few new investments of that kind, but not a significant number.

John Hancock is, of course, qualified to make investments in FHA guaranteed mortgages, but is not interested in these commitments. Mr. Cox is a lawyer and he made particular inquiry into the question of the real authority of the FHA to command the treasury to issue government obligations to those holding FHA guaranteed mortgages, in the event there is a default on the part of the mortgagor. Mr. Cox found that the provisions in the law in this regard were foggy and he believes that there is real doubt as to the power of the FHA to requisition the treasury to issue such government obligations. In any event, he feels that there is too much bothersome red tape in connection with getting these securities to make the investment attractive.

Objects to 80 Percent Loan

Another vital objection, Mr. Cox believes, is the fact that the FHA will guarantee loans up to 80 percent of the value of the property. The FHA, he contends, possesses no more magic power to make safe loans on that basis than does a life insurance company or any other conservative investor. An 80 percent loan is still a poor gamble, he believes. He is not greatly impressed with the fact that the FHA guaranteed loans are amortized monthly by the small borrower. A life insurance premium, payable monthly, he observes, offers the assured 12 temptations during the year to lapse. Likewise, he believes, a borrower, paying off each month, has 12 temptations to default.

Mr. Cox was one of the life company



GUY W. COX

presidents who attended the recent White House conference with President Roosevelt. He received his invitation just two or three days prior to the conference and after Frank Knox had made his famous Allentown statement to the effect that no life insurance policy is safe and no savings deposit secure. Upon leaving the conference in Washington, Mr. Cox was pressed to make some sort of a statement and he declared that life insurance policies are just as safe as government bonds.

Two Meetings in Chicago

On his trip through the middle west and south Mr. Cox and his party went as far west as Lincoln, Neb., and Oklahoma City.

The largest meetings on this trip were at Chicago. On the first day there was a gathering of the general agents and agents in the ordinary department. Not only was General Agent W. M. Houze of Chicago on hand, but company representatives from the general vicinity. On the second day there was roundup of the industrial people, with 17 managers on hand, including 10 from Chicago. There were two from Milwaukee, one from Cicero, Ill., one from Gary, Ind., one from Racine, Wis., one from Aurora, Ill., and one from South Bend, Ind.

More than 300 John Hancock field men from Michigan and northern Ohio and Indiana attended a luncheon and sales conference in Detroit. This was the last stop of the head office party before returning to Boston. C. A. Macauley, state agent, handled arrangements for the conference, aided by C. T. Roby, his office manager.

Equitable of N. Y. Analyzes Benefit Payments This Year

The Equitable Life of New York paid total death benefits for the first nine months of \$51,196,658. In addition to these disbursements to the beneficiaries there were paid \$86,343,556 to living policyholders. The summary is as follows:

Dividends	\$ 24,441,953
Matured endowments	5,396,905
Annuities	13,472,862
Surrender values and disability claims	43,031,834
Total to living policyholders	\$ 86,343,556
Death claims, including accidental death benefits	51,196,657

Total to policyholders and beneficiaries

Total payments to policyholders and beneficiaries since organization now total \$3,723,465,152.

High Court O.K.'s Missouri Ban on Adjustment Clause

WASHINGTON, Oct. 29.—Tacit approval of a decision holding invalid in Missouri the adjustment clause in policies of the Northwestern Mutual Life was given by the U. S. Supreme Court when it refused to review an opinion of the Kansas City court of appeals.

The case arose when a beneficiary under five policies, in applying for which assured had misstated his age, accepted as an adjustment the sum the premiums paid would have purchased at the correct age, and then brought suit on the ground that no deduction should have been made from the face value of the policies.

The appeal court held that the policies were Missouri contracts and that the adjustment clause was invalid.

In appealing to the Supreme Court, the company raised the question whether a state may preclude an insurance company from so contracting that when age is misstated it shall be liable only for the amount which the premiums would have purchased at the correct age, and contended that payment of the additional amount involved in the suit would be payment of a gratuity for which no premium had been received. This, it was argued, would be in violation of the due process clause of the constitution.

Starr Takes Over U. S. Life's Helm

Henry Moir Retires as President, but Will Be Finance Chairman

OFFICIAL LINEUP CHANGED

G. R. Selser and C. J. Smith Vice-Presidents; Paul Danner Made Secretary-Treasurer

NEW YORK, Oct. 29.—With the retirement of Henry Moir as president of the United States Life, a post which he has held since 1923, Cornelius V. Starr, prominent international insurance man, becomes president. Mr. Moir will continue as chairman of the finance committee and have general charge of investments.

Several other changes were made in the executive lineup. There are two new vice-presidents, George R. Selser, previously assistant secretary, and C. J. Smith, who has not been connected with the company until now, but has been closely associated with nearly all of Mr. Starr's enterprises in the East for the last 15 years. Paul R. Danner, formerly assistant secretary, is now secretary and treasurer. George W. Hubbell has resigned as secretary but will continue as vice-president. There are two new junior officers, A. T. Green, cashier, and John F. Wulff, assistant secretary.

Attracted to Far East

Mr. Starr went out to the Far East in 1919. He was solely attracted by business opportunities there, as unlike many men who have gone into business in the Orient, his family had not been engaged in missionary work or business in that part of the world. However, he had previously been in the insurance business in San Francisco, so it was not unnatural that he should be familiar with the countries farther to the west.

Mr. Starr's first venture was the American Asiatic Underwriters, a firm organized to act as general agents in China and the Philippines for a group of American companies. He next formed the Asia Life, a Delaware corporation which, however, does business only in the Orient. Organized in 1919, it now has about \$60,000,000 (Shanghai) in force. The Shanghai dollar is a silver unit at present worth 31 to 32 cents.

Other Fields than Insurance

Branching out into fields other than insurance, Mr. Starr organized the Underwriters Savings Bank for the Far East, which he still controls. It does a savings and general banking business in various ports, such as Shanghai, Hong Kong, Hankow, etc. He also controls the "Shanghai Evening Post and Mercury," the leading American afternoon newspaper.

Not all Mr. Starr's insurance companies are chartered in the United States. One of them, the Compagnie d'Assurances Franco-Americaine, is incorporated in Indo-China under French laws, but operates in China. The International Assurance Company, Ltd., which he organized, and in which he has a large interest, was organized in Hong Kong and has a British charter. Mr. Starr also has an automobile distributing company and a real estate and investment organization in Shanghai.

Before taking over the United States Life in 1934, Mr. Starr was best known in this country through the American International Underwriters, Inc., which he controls and through which he purchased control of the United States Life.

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Insurance Institute Has Meeting; Elects Officers

WINTER CHOSEN PRESIDENT

Atlantic Mutual Chief Will Head Group During Coming Year; Prizes Awarded for Tests

NEW YORK, Oct. 29.—W. D. Winter, president Atlantic Mutual, will head the Insurance Institute of America during the coming year. He was elected Tuesday at the annual conference and luncheon.

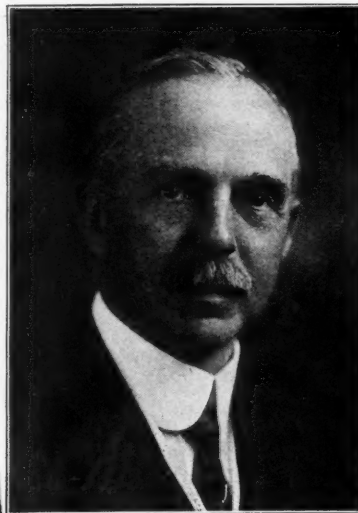
Other officers are: Vice-presidents: L. E. Falls, vice-president American of Newark; J. D. Craig, vice-president Metropolitan Life; E. R. Hardy, re-elected secretary-treasurer; members of the board of governors for term ending 1939: B. M. Culver, president America Fore; Richard Deming, vice-president American Surety; W. J. Graham, vice-president Equitable of New York; H. R. Hedge, vice-president Boston; O. E. Lane, president Fire Association; Henry Moir, chairman finance committee U. S. Life, and Benjamin Richards, manager Underwriters Service Association.

Retiring President Graham presided at the luncheon and business meeting, and announced the following prize winners for excellence in written examinations: Life branch, Miss Mildred K. Hewitt, New York; marine, Robert A. Murphy, New York; surety, Philip G. Andrews, New York; casualty, Arthur C. Anderson, Madison, Wis.; fire, John R. Wright, Seattle. Charles G. Roth, National Surety, won the Edward Roche Hardy prize.

Insurance Superintendent Pink was a speaker. He said the work done by

(CONTINUED ON LAST PAGE)

Takes New Post



HENRY MOIR

Henry Moir, who was made chairman of the finance committee of the United States Life, retiring as president, is one of the well known figures in the business. He is a Scotchman by birth, being educated in George Watson's College at Edinburgh. He is the author of some books on insurance and has made a number of addresses. He started his insurance career with the Scottish Life of Edinburgh in 1886. After 15 years he became actuary of the old Provident Savings, later associate actuary of the Home Life and subsequently becoming vice-president and actuary. He left that company in 1922 to become associated with the United States Life.

Insurance Leads in Office Tests

Half of Companies Use Them in Picking Applicants for Jobs

MANAGEMENT MEN MEET

Experts from Life Field Are Represented on Program Under A. M. A. Auspices

NEW YORK, Oct. 29.—The extent to which life insurance offices have outdistanced other types of business in applying aptitude tests to the selection and training of office employees was related by Dr. Morris S. Viteles, director of personnel research and training of the Philadelphia Electric Company, at an office management conference held here under American Management Association auspices.

Nearly half of the life insurance companies apply aptitude tests to prospective employees, while only about 15 percent of the non-manufacturing organizations use them and only 5.8 percent of manufacturers, Dr. Viteles said. He urged the use of standard tests developed by educational and business organizations and said that those which test aptitude seem to be more useful than those which measure academic intelligence. He paid particular compliment to the standard test for life insurance offices developed by the Life Office Management Association committee, of which Dr. Marion A. Bills, assistant secretary Aetna Life, is chairman. Dr. Bills was one of the two leaders of the discussion which followed Dr. Viteles' address.

"Panel" Discussion a Feature

Three office management experts from the life insurance field were represented on the "panel" of six members and a chairman which discussed before the audience conflicting points of view on "How to Sell a Sound Office Management to Company Executives." They were Dr. Bills, Frank L. Rowland, executive secretary Life Office Management Association; E. H. Conarroe, director management service policyholders' service bureau, Metropolitan Life.

That there should be any need for selling an executive on a plan that is to the best interest of his company and himself might seem an ironical commentary on the vaunted efficiency of American business, but the specific cases mentioned by the participants in the panel left no doubt that the successful office management expert must be a diplomat of the highest order or he will have little chance to put his expert knowledge into effect.

Need of Selling Top Executive

There was a general agreement that it is necessary to sell the top executive in a firm or at least an executive sufficiently high up so that what he says goes. Sometimes it is better to approach him through a department head who is thoroughly sold on the proposed change. However, more than one member of the panel pointed out the danger of relying too much on having the proper executive sold and forgetting to see that the new ideas are sympathetically received all the way down the line.

Mr. Rowland said it is necessary to fit the selling technique to the executive who is to be approached. He pointed out the difference between the "sheltered" type of executive surrounded by numerous secretaries and other buffers

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A Carolina Mountain Home

From our North Carolina Agency comes this story:—

A retired mail carrier. They own their home, and their main interest is raising beautiful flowers. From North Carolina's mountains they go to Florida and California for the Winters. Several years ago, when this mail carrier was still in the service, his job was hard, carrying mail on horseback when the roads were too rough for buggy. He had little net worth, and his income was small. But, knowing nothing about business, he put his savings into life insurance. Now he is 71 years old, and his wife is two years younger. A few years ago the Government pensioned him. Two years ago he paid \$2,000 for an additional Annuity, with money saved out of his income. And while doing it he said, "My wife and I went to the Chicago Exposition on our honeymoon over 40 years ago. We are leaving today to go back to Chicago on our second honeymoon, happier than we were on our first trip."

This is one of the multitudinous examples of the unique power of life insurance to make secure and happy the later years of men and women, through transforming their savings into a sufficing income.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Hold Long Hearing on Pacific Mutual

Los Angeles Court Bars Testimony Irrelevant to Carpenter Rehabilitation Plan

INTERVENORS TAKE PART

California Commissioner Insists on Approval of His Plan or Modification—Otherwise, Liquidation

Only testimony relating directly to the question whether the Pacific Mutual rehabilitation plan of Commissioner Carpenter of California should be approved or disapproved was permitted by Superior Judge Willis of Los Angeles to go into the record at the extended hearing there. Attempts of various interests to develop testimony relating to alleged misconduct of officials was barred.

Judge Willis ruled that he would consider no rehabilitation plan that excluded shareholders from participation.

Carpenter on Stand

Commissioner Carpenter spent a great deal of time on the stand, outlining his plan and being cross-examined by counsel for policyholders who filed the action attacking Mr. Carpenter's plan upon which the hearings are being held. Several intervening attorneys took turns at questioning him.

He was cross examined by Attorney Doherty representing New York non-cancellable policyholders, when he stated he was ready to consider any plan that would be for the best interests of all concerned. He said that the assets of the Pacific Mutual are \$60,000,000 and the value of the securities is higher than at the time they were acquired. A decrease of 5 percent would impair the company, he said. Commissioner Carpenter said that he had changed his policy relative to the agents and was ready to pay full non-can commissions in order to keep them working. He also planned to renew agency contracts under his system.

Commissioner in Defense

Mr. Carpenter vigorously defended his plan, saying that if liens were applied against policies his plan could function but not satisfactorily. Under the Giannini plan, he said, the accident and health business would go to a separate company so he could not exercise the same supervisory control as under his plan. He held agents would be worse off under the Giannini plan. Attorney H. S. Dottenheim for non-cancellable policyholders conducted the cross-examination on these points, the court differing with Dottenheim, holding comparisons would not be considered.

Attorney Meeker representing Commissioner Sullivan of Washington took up the examination. Mr. Carpenter said under his plan non-can benefits were definite but he did not know what they would be under the Giannini proposal.

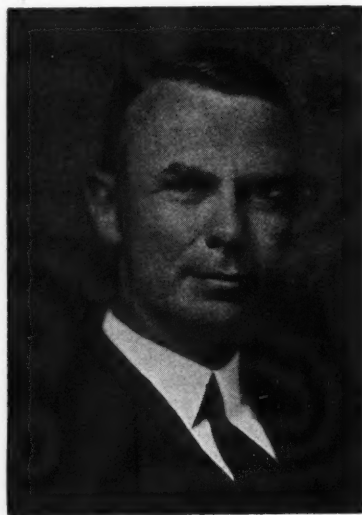
Touches on Mutualization

He thought liquidation proceedings would be necessary for the Giannini health and accident company as set up in the offer that was made. Mutualization, he said, was set ten years ahead because it was agreeable to all groups and afforded a feasible period in which to work out difficulties.

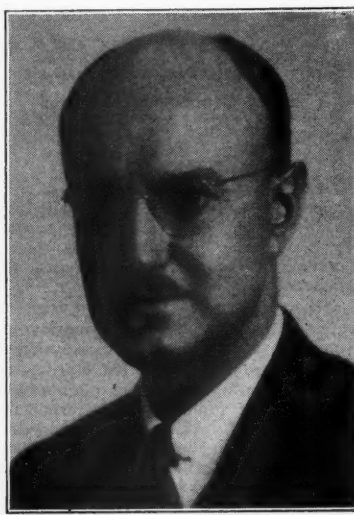
In speaking of the Giannini Occidental Life plan, Commissioner Carpenter said that he doubted the ability to pay non-can benefits promised. Under

(CONTINUED ON PAGE 10)

Actuarial Presidents



M. A. LINTON, Philadelphia
President Provident Mutual Life



R. C. McCANKIE, Des Moines
Associate Actuary Equitable Life of Iowa

The two actuarial societies held joint meetings at White Sulphur Springs this week, the Actuarial Society of America, presided over by M. A. Linton, president Provident Mutual Life, who is head of the organization, and the American Institute of Actuaries which has as its president R. C. McCankie, associate actuary Equitable Life of Iowa. Both men are prominent in the business.

Regional Meetings Are Held

New England Mutual Officers Stage Four Gatherings During Past Month

BOSTON, Oct. 29.—Following the meeting of the general agents and the agents of the New England Mutual at the close of the national convention in Boston, which was attended by more than 200 but was largely confined to men from New England and the eastern seaboard, the company held during October four other regional meetings with a total attendance of several hundred.

The places and dates of the regional meetings were: Hot Springs, Va., Oct. 9-10; Sea Island, Ga., Oct. 12-13; French lick, Ind., Oct. 16-17; Del Monte, Calif., Oct. 23-24. Supplementing the regular meetings were personal visits by officers of the company attending the conferences to one-half of all the agencies throughout the country. The home office was represented by the following officers, not all of whom attended all four meetings: President Smith, Vice-President Tebbetts, Vice-President Geo. L. Hunt, Medical Director Harold M. Frost, Assistant Medical Director Frederick R. Brown and Agency Supervisor James P. Hall.

Constructive addresses by the home office group were supplemented by addresses on special aspects of agency work by general agents located within the territory served by each conference, and discussions of important problems and selling plans by outstanding field men in attendance. The formal programs were followed by recreational and social gatherings.

The business of the company during the four months preceding these conferences was the largest ever experienced in those particular months, officials said. The home office announced insurance in force on Oct. 1 had increased \$41,000,000 since the first of the year, and that over \$1,370,000,000 was outstanding on that date.

Lewis I. Held, one of the premier producers of the W. T. Nolley agency of the Northwestern Mutual Life, Richmond, Va., underwent an emergency appendicitis operation there. He is vice-president of the Virginia Association of Life Underwriters.

Metropolitan Agents Gather

Company President at Cincinnati Says Organization Will Retain Its Own Pension System

CINCINNATI, Oct. 29.—Conservation and elimination of waste were stressed by Leroy A. Lincoln, president Metropolitan, at a regional meeting attended by 425 of the company's field force. It was Mr. Lincoln's last address in a seven weeks' trip which has taken him through the west and middle west, enabling him to contact the field for the first time. He stated that although the Metropolitan would probably be subject to the social security act, its own pension system benefits would be maintained supplemental to the benefits provided under the act.

One of his first acts on becoming president early in the year was to give each agent an 11-day vacation, to run consecutively, with pay, the first time such a step had been taken in the company's history. That the agents expressed their appreciation of the action is indicated by the fact that the company did not have a summer "slump" this year; in fact, one of the best records was turned by the field during that time in the Metropolitan's history, it was said.

Accompanying Mr. Lincoln were Vice-Presidents F. W. Ecker, E. W. Wilkes and H. E. North and W. S. Shepherd, territorial superintendent of agents, who spoke briefly. The plan followed was to hold first a conference of the managers and home office men, then adding the assistant managers, and finally the agents.

Texas Adopts Unemployment Compensation Law; 17 in All

Enactment of an unemployment insurance law by Texas increases to 17 the number of states that have taken such action. Of these the law in Washington was declared unconstitutional, and it is expected a revised measure will be offered when the legislature meets. Rhode Island calls for a salary report from Jan. 1 to Oct. 31, with payment not later than Nov. 20. Utah grants 10 days from receipt of report within which payment be made, and a similar provision holds for Idaho.

Cancer Diagnosis Often Inaccurate

Research Director Stresses Value of Exact Information to Life Companies

DR. F. C. WOOD IS SPEAKER

Dr. C. T. Brown Succeeds Dr. E. F. Russell as Head of Medical Officers' Association

NEW YORK, Oct. 29.—More accurate diagnosis of cases of suspected cancer where a tumor is removed is very important from an insurance point of view, said Dr. Francis Carter Wood, director Institute of Cancer Research of Columbia University, at the closing session of the Life Insurance Medical Directors Association. He is the foremost authority on cancer in America.

Dr. Wood emphasized that in many cases the diagnosis of cancer is inaccurate and that the tumor which is removed is not malignant and hence does not affect the applicant's expectation of life. It is equally important, he pointed out, for life insurance companies to know that a case of suspected cancer is actually cancer, since with rare exceptions no case which has a history of internal cancer should be regarded as insurable no matter how long after the operation which has presumably removed the growth. Even after a cervix operation there should be a wait of ten years to be sure the operation has been successful.

External Cancer Insurable

Certain types of external cancer, however, Dr. Wood said can be safely taken after operation for their removal. In the case of internal cancers, however, Dr. Wood said that persons who have lived out their expectancies after operations probably did not have cancer at all and were only believed to be afflicted with the malignant type of growth because of failure to have a pathological examination of the suspected tissues.

Life insurance companies can help throw light on the cancer problem by keeping accurate records and making an effort to find out if deaths attributed to cancer are actually from that cause and by getting autopsies. These records would be useful to the Institute for Cancer Research, he said.

Retiring President Speaks

Referring to the aims of the association Dr. E. F. Russell, the retiring president, said:

"We have not by any means solved all the problems. We still have a long way to go. It is our problem to change a part of the art of medicine to a science through a demonstrable set of facts upon which we as life insurance men and all physicians can place reliance for definite and certain aid according to their specific application. . . . It is extremely gratifying that this association has through its cooperation determined many an uncertain line. Time has already proved the results to be correct."

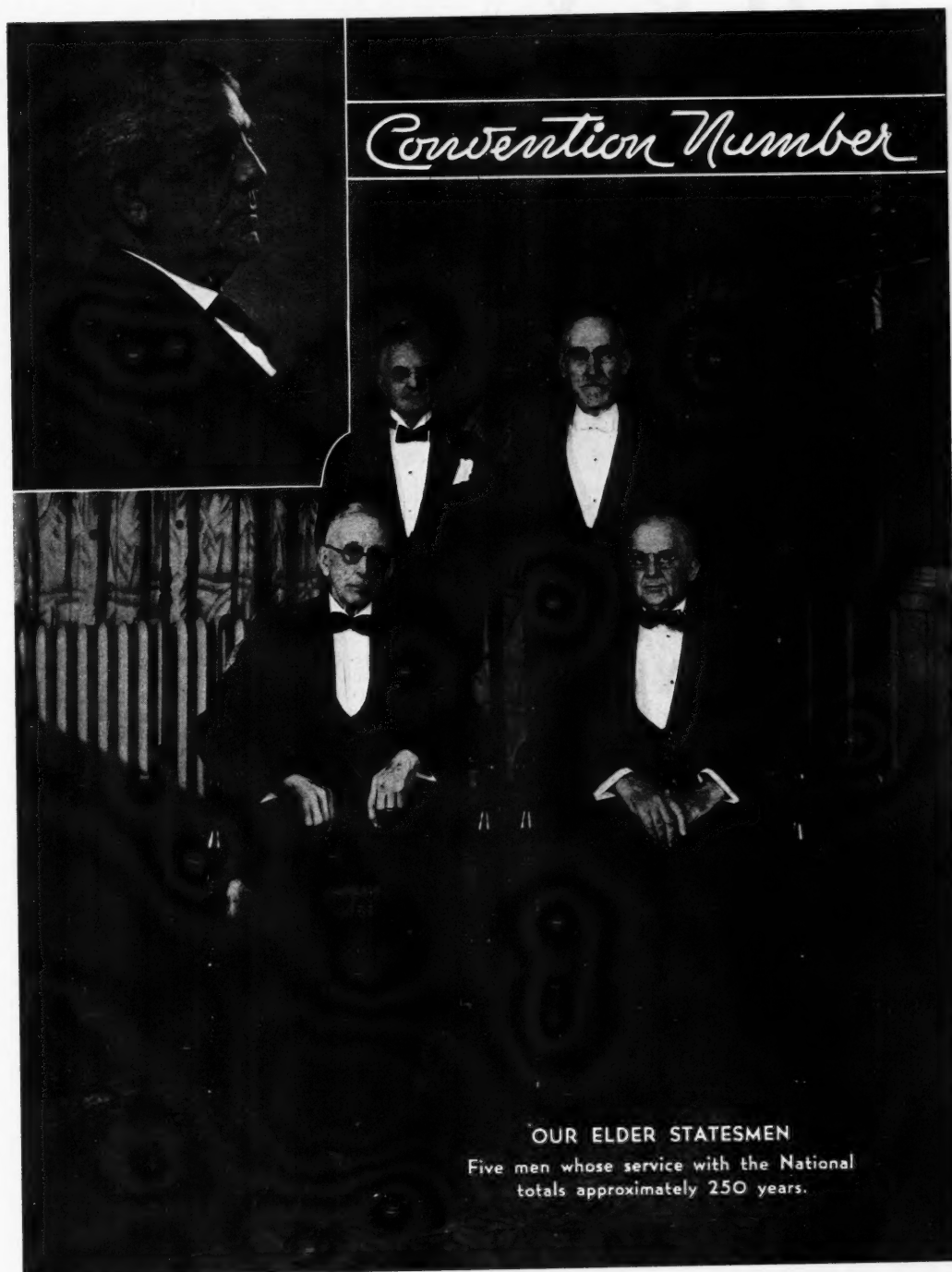
Dr. Russell was succeeded as president by Dr. Chester T. Brown of the Prudential, who has held office in the association since 1923, first as secretary for eight years and since 1931 as vice-president.

The present more optimistic attitude toward the underwriting of cases with a past history of pulmonary tuberculosis was noted by Dr. Charles E. Homan, Jr., of the Connecticut Mutual Life. Of 37 members of the association replying

(CONTINUED ON PAGE 20)

October 30, 1936

Faithful and Successful



OUR ELDER STATESMEN

Five men whose service with the National
totals approximately 250 years.

This picture, taken from the cover of the Convention Number of the National Messenger, indicates the pride the National Life Insurance Company feels in honoring this year five men who have each served faithfully for approximately half a century.

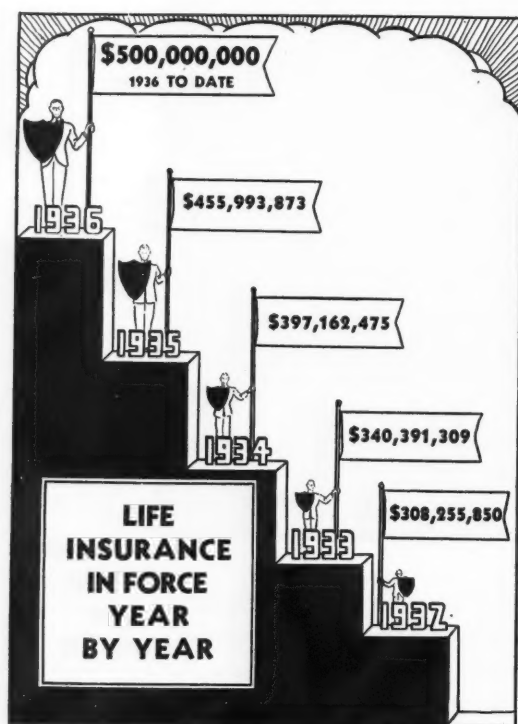
Seated left is Col. Osman D. Clark, just retiring as secretary but remaining as a director; right, Charles W. Gammons, also a director, and president of our Boston agency; standing left is J. Howard Edwards, vice-president of the Boston agency; and right, Albert H. Gseller, for more than fifty years a successful National agent in New York City. In the inset is the dean of all National Life agents, Roger W. Hulburt, of Hyde Park, Vermont.

(Send for the booklet "THE NATIONAL"—a short story)

NATIONAL LIFE INSURANCE COMPANY HOME OFFICE MONTPELIER **VERMONT**
PURELY MUTUAL — ESTABLISHED 1850

A STORY OF GROWTH

SHOWING
THE AMOUNT
OF
LIFE INSURANCE
IN FORCE
YEAR BY YEAR



GROWING GREATER EVERYDAY

The NATIONAL LIFE AND ACCIDENT Insurance Co., Inc.



HOME OFFICE, National Building, NASHVILLE, TENN.
C. A. CRAIG, Chairman of the Board, W. R. WILLS, President



THE SHIELD COMPANY

Missouri Department Given Approval at State Meet

AGENTS RALLY IN COLUMBIA

Patterson, O'Malley and Higdon on Program at Annual Gathering of Association

In the only resolution it adopted, the executive committee of the Missouri Life Underwriters Association, at the annual convention in Columbia, Mo., endorsed the Missouri department, with particular reference to the championing of sound, legal reserve life insurance. Superintendent O'Malley's name was not mentioned.

Arnold Roth, Cape Girardeau, district manager Equitable of New York, chairman of the educational committee, urged support of the association's movement to install an insurance course in the University of Missouri.

Plan Educational Course

The course would not be restricted to fitting students to enter the business, but also would lead to better understanding of insurance problems and more intelligent approach to purchase of insurance.

The executive committee endorsed the proposed Missouri insurance code, which was lost in committee at the last session, and urged its passage but suggested it be considered in sections by the legislature due to the conflict over several sections. Charles Scott, general agent Massachusetts Mutual, Kansas City, chairman of the legislative committee, brought up the matter. He hit variation in agency license fees among cities and towns, varying from \$50 in Sedalia, St. Joseph or Columbia to \$25 to \$35 in some other Missouri cities. The fee is increased after a certain number of agents have been appointed. The association indicated it would take some further steps in the matter.

To Organize Women's Groups

Miss Helen Summy of St. Joseph, Equitable of New York, head of the women's committee, was authorized to proceed with organizing special women's sections of local associations in St. Louis, Kansas City and St. Joseph. Other committees that reported, with their chairmen, included program, Dallas Alderman, Kansas City Life, Kansas City, and publicity, Scott Smith, Pacific Mutual, St. Louis.

The annual meeting will be held at St. Louis in March, probably not in conjunction with the St. Louis sales congress scheduled for February. Arthur Shugg, general agent Aetna Life, St. Louis, presented the city's invitation.

The general session was attended by all nine local affiliated associations except Joplin.

Leaders Are on Program

F. T. Rench, general agent National Life of Vermont, St. Louis, spoke on life insurance as property. Life insurance should be the foundation of the financial structure of any man, no matter how high his income, Mr. Rench said, for it is the only sure investment. J. C. Higdon, vice-president Business Men's Assurance, Kansas City, spoke on persistency. O. Sam Cummings, Texas manager Kansas City Life and vice-president National Association of Life Underwriters, was unable to attend, but A. E. Patterson, Penn Mutual general agent in Chicago and National association president, spoke, declaring elimination of part-time agents in cities and unfit agents everywhere is an association objective. Companies have cooperated well and many licenses been canceled.

O'Malley made non-political talks. A silver loving cup was presented by Mr. Patterson to Miss Summy as representative of the St. Joseph association in recognition of its membership increase last year. This cup was to have been

Company Purchasing Agents Have Formed Organization

B. G. ALLEN IS THE PRESIDENT

New Association Hopes to Bring About More Coordination in Buying Supplies and Equipment

HARTFORD, Oct. 29.—An association of purchasing agents of insurance companies has been formed in New England, and it is expected that its membership will soon include purchasing agents of companies throughout the east. At an organization meeting held in Springfield, Mass., B. G. Allen of the Hartford Fire and Hartford Accident was made president; Edwin Johnson, Massachusetts Mutual Life, Springfield, vice-president; Fred Camp, Phoenix Mutual Life, Hartford, treasurer; W. R. Joyner, London & Lancashire Indemnity, Hartford, secretary. Members of the executive committee are C. M. Bell, Massachusetts Bonding, Boston, chairman; A. W. Johnson, State Mutual Life, Worcester, and Henry Gerrish, Hartford Steam Boiler, Hartford.

Object of the Organization

This organization is the outgrowth of many informal meetings of purchasing agents of companies, held over the past three years. In these conferences, the purchasing men have developed sufficiently valuable information and worked out cooperative plans which proved profitable to their companies and it was decided to form an organization. The object is to promote better office planning, expense control, purchasing, and to bring about better understanding and fellowship as well as to encourage improvement of ethics in the purchasing profession. It has been found that unified action of the purchasing agents may often result in improved service and better relations between the insurance companies and the sources from which they buy supplies. Sound purchasing practices consistent with the position of the insurance companies themselves, are to be encouraged.

Six Meetings a Year

The by-laws call for six regular meetings during the year. These will be held in different cities in New England and in New York City.

Members report that often there is not sufficient coordination between the planners in a company and the purchasing agents. Plans are sometimes made which must be greatly modified when costs are brought into the picture.

Some of the members are very enthusiastic about the possibilities of this organization and believe it can result in substantial service to the companies. The National Association of Purchasing Agents has not given special attention to the problems of insurance company purchases.

presented at the National association convention in Boston. The Columbia association increased membership from 18 to 53 in a one-week drive preceding the state meeting.

Sam T. Utz, Penn Mutual in St. Joseph, presided as association head. John Darling, Northwestern National, president Columbia association, headed the hosts committee. Among company presidents on hand were W. T. Grant, Business Men's Assurance; R. S. Tiernan, American Savings Life; Ralph H. Rice, National Fidelity, and Daniel Boone, Midland Life. Former Commissioner Thompson, now with the Kansas City Life, and P. B. McHaney, General American, St. Louis, former department counsel, also attended.

Mayor Addresses Agency Meet

The Great American Life of Hutchinson, Kan., had an agency meeting in the home city, with Mayor Oswald giving the address.

Horner-Palmer Lunch Crowd Outnumbers Brooks' Turnout

NOT ALL INSURANCE, THOUGH

Democrats in Illinois Insurancewise Have Their Innings at Beef Steak Lunch—G. O. P. Had Chicken

The Democrats in Illinois, insurance-wise, had their innings at a luncheon rally in Chicago three days after the Republican insurance luncheon. The Republicans ate chicken and the Democrats had beef. The chicken eaters numbered about 600, whereas 1,300 turned out for the beef. However, not all of the beef eaters were insurance people, some being purely policyholders. At the Republican luncheon, the speaker was C. Wayland Brooks, Republican nominee for governor.

At the Democratic luncheon, the speakers were Governor Horner, who is standing for re-election; Insurance Director Palmer, and States Attorney Courtney of Cook county.

The theme of the Republican luncheon was that the Democrats had cornered just about every premium dollar that was within political reach.

Democratic Luncheon Theme

The theme of the Democratic rally was that Henry Horner and Ernest Palmer had elevated insurance supervision in Illinois to first rank.

The only reference at the Democratic luncheon to the issue raised at the Republican luncheon was the statement of Mr. Courtney: "We have never let our office interfere with the getting of insurance business and we don't intend to."

Insurance people witnessed Mr. Palmer in a new role, that of an impassioned campaign speaker. He limited himself to two jokes and he made the welkin ring in behalf of Henry Horner.

The governor, who was the final speaker, noted the change in Mr. Palmer and remarked that this was the first political speech he had ever heard him make. It so happened that one of the stories that Mr. Palmer told had to do with an elephant sitting down on a bird's nest. Governor Horner remarked that Mr. Palmer needed some "priming" as a campaign orator. "He could just as well have used a donkey as an elephant in his story," the governor declared.

Roy L. Davis Presides

Roy L. Davis, head of the Horner for governor insurance campaign committee, presided at the Democratic luncheon. Among those at the head table were C. E. Nolan, insurance broker; A. E. McKeough, W. A. Alexander & Co., vice-president Chicago Life Underwriters Association; S. E. Moisant of Kankakee, secretary Illinois Association of Insurance Agents; Fred Bracken, insurance broker; Allan I. Wolff, past president National Association of Insurance Agents; E. B. Thurmar New England Mutual Life, Chicago; E. V. Mitchell, general counsel, Continental Casualty; Chase Smith, general counsel, Lumbermen's Mutual Casualty; Joseph Mills, Metropolitan Life; J. T. Spiker, treasurer Polish National Alliance; S. A. Kent, Prudential; A. J. Johanssen, Northwestern Mutual Life; T. J. Farrell, insurance broker; Ray Hartigan, Girard Life; Paul Lewin, Equitable Life of New York; A. L. Ladd, insurance broker; C. A. Fargo, Aetna Life; Lewis S. Degen, Mutual Life of New York; M. A. Zitzmann, Midland Mutual Life; G. H. Moloney, Hartford Accident, and P. J. Angsten, chairman Illinois industrial commission.

Mr. Davis declared that under the Horner administration confidence in the insurance business had been restored. The open door policy instead of the closed door was instituted in the insurance department. Mr. Palmer, he declared, was given a free hand to oper-

ate in the interest of the people. Under previous administrations, he said, anyone having dealings with the insurance department had to get "legal advice" from a clique of Springfield lawyers.

Only the Crooks Complain

Mr. Palmer declared that even the bitterest adversaries of the administration can't say anything against the insurance department. He declared that he did the job that the governor wanted done. His staff was selected for ability and knowledge, he declared. The Illinois department now has a standing among the other states. He said he has heard no criticism of the insurance department except from the "crooks that we have put out of business."

Mr. Angsten was introduced and took a bow. Mr. Courtney said that his office had reduced automobile thefts 90 percent in Cook county and automobile insurance theft rates have been reduced 64 percent. "We may come back at you a little later for a further reduction," he said.

He said the state's attorney obtained 23 convictions for arson. He said he is now giving attention to the fraudulent claim racket and he invited insurance people to cooperate in helping break this up.

Governor Horner said that when he took office he decided to give the best

sort of administration so far as insurance was concerned. He looked around for the best administrative officer he could find. He said he selected a man without political character and declared, "I'm damned glad I did."

He brought down the house when he referred to Mr. Palmer as that "little under weight pugilist."

Governor Horner said that insurance affairs were in bad shape when he took office. There had been many company failures and people were discouraged from buying insurance. Something had to be done. People had to be reassured that no company could operate in the state without having ability and intention of carrying out its obligations.

The insurance department has not been a receptacle for political jobs, he said. He mentioned the life insurance investment law as being for the benefit of companies as well as assured, because it creates confidence in the companies. He said the broker's license law was passed in an attempt to put the selling of insurance on a professional plane.

He said in 1933 he was urged to have passed a mortgage moratorium law. He said he realized that such a law would have been a great political gesture, but would have been of no practical value. Therefore he did not sponsor such a

law, but asked the insurance companies to cooperate with the necessities of the situation. He said the response was splendid and every company gave mortgagors a chance to get on their feet.

He referred to the new law requiring that fraternal be sound and "serviceable along actuarial lines." He referred to the fact that the insurance department was divorced from the department of trade and commerce and made to stand on its own feet, "so it could be watched, encouraged and made to function."

He said that the certificate of title law had been of great help in discouraging automobile thefts. He said Illinois has national standing in the fact that Sherman V. Coultas, state fire marshal, is president of the National Fire Marshals Association and Mr. Palmer is president of the National Association of Insurance Commissioners.

Knights Life Stock Dividend

At the quarterly meeting of directors of the Knights Life of Pittsburgh a resolution was adopted to declare a stock dividend of 50 per cent. Stockholders of record Aug. 10 will receive one new share for each two shares owned.

TESTIMONIAL to Management

EVERY NWNL fieldman knows the vital importance of Management in the upbuilding of a life insurance company. In his own Company he has a striking example of how careful, expert management—sound, yet progressive—has been able to keep sales curves and surpluses climbing steadily through bad times as well as good.***It is true that NWNL's remarkable depression record would not have been possible without the well-directed and untiring efforts of an unusually capable Agency Organization. But their efforts would not have been nearly so resultful if a straight thinking, foresighted management had not been continuously and vigilantly "on the job", shaping sound policies, building and holding public confidence in the Company's absolute stability and fair dealing.***So it has become an NWNL tradition that in October of each year the Agency Organization pays a special tribute to NWNL's President and Managing Director, O. J. Arnold, who has led the Company through this period of most satisfying progress.***Why October? Because in that month eleven years ago President Arnold first took the helm. * And also because October is President Arnold's birth month. ***October always is Arnold Month, and in 1936, as before, NWNL fieldmen have enthusiastically embraced the opportunity to honor the leader whose warm friendship and untiring efforts in their behalf have won for him their deep respect and affection.

NORTHWESTERN NATIONAL
LIFE INSURANCE COMPANY
STRONG — Minneapolis, Minn. — LIBERAL

A. L. C. Committee Divided in Disability Clause Study

Due to having a committee of six members study the question of writing total and permanent disability income clause in the United States, the results of the survey of the American Life Convention committee headed by Dr. H. W. Cook, vice-president and medical director Northwestern National Life, as presented at the Dallas annual meeting, were inconclusive. Three gave a short report expressing opinion it would be a "sad mistake for our companies to again enter this field," even though the coverage is handled profitably by Canadian companies through certain limitations and placing great emphasis on underwriting. These three were F. V. Rothschild, vice-president and actuary Sun Life of Baltimore; N. E. Gorton, actuary American National, and A. J. Schmidt, actuary Alliance Life.

Three Recommend Clause

The other three members, Chairman Cook, H. J. Hornberger, actuary Great Northern, and F. M. Hope, vice-president and actuary, Occidental Life, Los Angeles, said that they were "aware of the fact that there are executives of a number of life insurance companies who believe that the monthly income clause has no place in life insurance contracts. There are, however, certain other executives who believe that it has a very important place and who would like to write such a clause providing it could be written on a satisfactory basis. Although it is true the experience of the Canadian companies has not covered a very long period of time, yet their experience over this period seems to be very satisfactory. Therefore, we recommend to those executives of life insurance companies wishing to enter the monthly income disability field the writing of a monthly income clause similar to the one written by the Canadian companies, bearing in mind an adherence to equally strict underwriting rules."

Gist of Dissenting Opinion

The dissenting opinion stated occurrence of total and permanent disability is bound to be an event whose extent and objective independence cannot be determined, thus rendering very unlikely exact mathematical computation of minimum premium rates based on any table of fixed incidence of occurrence. It was emphasized that companies desiring to afford to clients the highest type of security as to life insurance, whose premiums are based on experience which is exactly determined, might not desire to enter or remain in the field of health insurance because it is fraught with peril from a number of causes. Those listed were: Uncertainty of court interpretation of policy provisions, moral hazard, objective verification of a discrimination among cases in which the disability is subjective in character, and fairly frequent occurrence of such cases.

Warning Is Sounded

"It is highly important," the dissenting three stated, "that this be not forgotten when disability benefits are being offered to stimulate the sale of life insurance in the field and not separately on their own merits; neglect so to do is quite likely to result in loss to the underwriting companies, and adversely to the persistence of the life coverage for which the disability coverage is offered as the attractive inducement."

These three said the disability income feature in life insurance has been and will continue to be a very sad experience for companies, for it results in malingering, misunderstanding, litigation, fraudulent claims, ill-will and excessive loss payments.

"A life insurance company that tries to maintain a reputation for fair dealing and freedom from dispute with its pol-

icyholders," the three said, "will either suffer unnecessary losses from bad disability claims or must sacrifice its reputation and resort frequently to litigation."

They said the waiver of premium clause as now written has some justification, but even this "is a necessary evil to the business."

The report of the other three favoring writing income disability on a sound basis, it was stated, was based largely on experience and recommendations of Canadian companies and some American companies which have been able to offer the coverage at a reasonable profit, and was predicated on careful and experienced underwriting and claim investigation.

The three in favor of this clause cited the underwriting plan proposed by Actuary V. R. Smith of the Confederation Life of Toronto at the fall meeting of the American Institute of Actuaries last year in his paper on "Monthly Income Disability Insurance in Canada." In 1932 when most United States companies were withdrawing from the monthly income disability field, a few Canadian companies, upon the basis of independent investigation, decided to continue writing the \$10 monthly income clause with certain restrictions, among which, Mr. Smith pointed out, were:

Necessary Restrictions Listed

Total disability construed to mean state of bodily incapacity resulting from injury or disease such that assured is wholly prevented from engaging in any occupation or any part of the duties of any occupation, or from performing any work whatsoever; monthly income payments commence after disability has existed for at least six months, some even suggesting a longer waiting period; monthly income of 1 percent of sum insured, payable for 50 months, followed by payment of ½ percent of sum insured for 100 months, but in no case should payment be made after maturity of an endowment policy; notice and proof of disability to be given during

(CONTINUED ON PAGE 21)

RECORDS

Fidelity Mutual—New paid life insurance for the third quarter amounted to \$6,218,000, an increase of 13.8 percent over the corresponding quarter of 1935. The decrease in net terminations of insurance under the corresponding period amounted to \$2,050,000 or 27.2 percent.

Old Line Life of America—Reports new paid life insurance for the first nine months 40 percent greater than last year, and the number of policies applied for 28 percent ahead. September was 35 percent ahead. These figures exclude annuities. New health and accident business gained 50 percent for the nine months.

Ohio National—Assets reached an all-high figure for the first nine months, \$40,500,000, an increase of \$1,500,000 over the previous nine months. Insurance in force has risen \$2,000,000 with \$177,000,000 now on the books.

B. H. Odum, Phoenix Mutual, Chattanooga—160 percent of October quota written. Gain for first 10 months.

George H. McDonald, Massachusetts Mutual, Chattanooga—80 percent increase in October.

Honor Corpus Christi Branch

The Corpus Christi, Tex., agency of National Life & Accident has received the AAA classifications, and, in observance of this, a luncheon was given by company officials. W. H. Julian, vice-president, spoke on what the branch had accomplished in the past 2½ years. He stated this is one of the best districts in the western territory. Since June 1, 1933, the district has shown an increase of 45 percent in industrial business and ordinary business shows an increase of 50 percent. H. B. Wernette, district manager, was toastmaster.

Former Omaha Manager Missing

George R. Whitlock, former Omaha manager of the Northwestern National Life, is reported as having been missing since Sept. 1, at which time company officials relieved him of his duties on being informed that a bad check warrant had been issued for him in Auburn. S. E. Hauptman, company cashier, says Whitlock's accounts were in good shape.

Future Outlook on Investments

M. A. Linton in Presidential Address Discusses Problem at Actuarial Society Meeting

OVER-SAVING NO DANGER

Real Estate Primary Outlet—Turn to Types Which Experience Has Shown Stable

WHITE SULPHUR SPRINGS, W. VA., Oct. 29.—Future investment of life insurance savings was a problem discussed by M. A. Linton in his address as president of the Actuarial Society of America at its annual meeting here this week. The Actuarial Society and the American Institute of Actuaries are holding a joint meeting here. The title chosen by Mr. Linton, who is president of the Provident Mutual Life, was "The Life Insurance Investment Outlook and the Theory of Over-Saving."

Taking up first the theory that the depression was due to over-saving in the period between the war and collapse of 1929, Mr. Linton made an economic analysis of the arguments advanced to support that theory. He quoted the studies of the Brookings Institute to show that huge advances in production must be made in order to provide a decent standard of living in America for those not now enjoying it. This production can only come from capital equipment made possible by savings.

Due to Bank Credit

In regard to the charge that over-saving brought about the depression, he quoted and condensed a bulletin by Dr. Benjamin M. Anderson, economist of the Chase National Bank. Dr. Anderson showed that the excess of money during the boom period was not due to savings, but the cheap money policies of the federal reserve system. This easy bank credit, being unneeded for normal banking uses, flowed into capital uses and speculative uses, and created appalling distortions in the general financial picture. A second charge that corporations did not use their savings for additional plants and equipment, but held them in the form of cash which they lent to the stock market, was also refuted by Dr. Anderson. The surpluses of the corporations were not savings from earnings, but were the produce of securities sold in the wild market. Having cash far in excess of their needs and not knowing what else to do with it, they lent it at 10 percent to the stock market.

Control Unsound Expansion

Commenting on this reasoning Mr. Linton said: "A lesson that should surely be learned is that bank credit is something to be firmly and intelligently controlled in the public interest. The savings or capital resulting from unsound expansion of bank credit has the power of doing grievous damage to the economic life of the country. The accumulation of true savings to be invested in productive plants to increase efficiency and reduce costs is a thoroughly beneficial procedure."

On the future of life insurance investments Mr. Linton said:

"Returning now to a consideration of the investment possibilities of the future, one can not but wonder what acceptable new forms of investment are likely to present themselves."

"Before the depression, the investments of the companies consisted to an overwhelming extent of real estate mort-

Medical Directors' Officers



DR. CHESTER T. BROWN

Dr. Chester T. Brown, medical director of the Prudential, was elected president of the Association of Life Insurance Medical Directors of America at the annual meeting last week. He has been medical director since Jan. 1, 1934.



DR. E. F. RUSSELL

He joined the medical staff of the Prudential in 1909. He resides in New Brunswick, N. J.

The retiring president is Dr. E. F. Russell, medical director of the Mutual Life of New York.

gage loans, and the bonds of our railroad and public utility systems. Barring undue competition from governmental lending agencies, the real estate mortgage loan will undoubtedly continue to provide a primary outlet for the investment of life insurance funds. Office and other business buildings and residences and apartment houses will continue to be built in large volume. In many quarters the improvement of the present low grade of housing facilities is one of the ways in which a higher standard of living will be brought about.

Turn to Consumer Goods

"Although new capital will be needed for the rehabilitation and further improvement of our railroads and for the improvement and expansion of our public utilities it is a question whether these industries will be able to absorb the available funds of savings institutions that are not invested in real estate mortgage loans. It is more than likely that in the course of time we shall come to look with favor upon other types of security which experience has shown are relatively stable in periods of depression. The industries and distributing organizations in the field of consumers' goods and services have been notably stable as compared with those in the capital goods field. Perhaps, therefore, the securities of corporations operating in the former field will find increasing favor as investments for life insurance funds.

Will Be Short Term

"One generalization may perhaps be hazarded with reference to the broad features of the bonds of the future that will be considered sufficiently conservative for life insurance investment. It is that they are not likely to have the long period to run which, for example, characterized the financing of many of our railroads. Changing conditions and the rapid progress of new invention are likely to dictate shorter terms and provision for more rapid amortization of the debt within a reasonable period. Should this development ensue, it will follow that the invested funds of the future will turn over with greater rapidity, thus necessitating greater activity and alertness upon the part of the investment departments of the companies.

"United States government securities have become more and more prominent among the investments of the life insurance companies since the government debt began its rapid increase a few years ago. The low rate of return has made these securities inherently unattractive but the scarcity of other appropriate securities has left the companies but little choice as investment funds have piled up. In consequence the holdings of United States government securities by the life insurance companies have increased to about \$3,000,000,000 or six times the figure of three years ago.

"Even after the balancing of the federal budget has occurred and the increase in the government debt has been halted, the necessary refinancing of the short term debt should result in the issuance of government bonds that will be attractive to savings institutions by virtue of their longer term and higher interest rate. Hence we may anticipate an increase in their holdings of government bonds. Eventually this process will reach an end and when it does government bonds should cease to compete in the security markets with other forms of investment.

"Of course these developments would be greatly modified by another war or by the unlikely event that the United States would embark upon plans necessitating the government financing of productive enterprise.

"State, county, and municipal bonds are not likely to prove generally attractive to life insurance companies so long as their price is held on an abnormally high level by the relatively greater income tax advantages which they afford the large individual taxpayer. Should this artificial influence be withdrawn, the attitude of the companies toward these securities would undoubtedly change.

"Whether common stocks will ever

New Secretary



R. A. ADAMS, Indianapolis

Robert A. Adams of the Indianapolis law firm of Denny, Adams, Baker & Orbison, specializing in insurance law, and general counsel of the American Central Life, was elected secretary of the Legal Section of the American Life Convention at its annual meeting. He is Indiana born, his native place being Columbia City and his birthday, Aug. 29, 1891. His father, the late Andrew A. Adams was judge of the appellate Court of Indiana and later general counsel of Arbuckle Brothers of New York City. Mr. Adams was schooled at Washington & Jefferson College and Harvard Law School. He practiced law in Indianapolis since he was admitted to the bar in 1916.

come to be considered as appropriate investments for life insurance companies in this country, as they have, for example, in Great Britain, is a question. Existing sentiment does not now indicate any substantial change in attitude in the near future. The fluctuations of common stock values with the changing conditions of the economic cycle present many difficult problems for the life insurance company.

"In conclusion, whatever form the investment of the future may take, I believe we may be confident that after the abnormal situation resulting from the financial policies of the last three years has been corrected, the years to come will afford adequate opportunity for the investment of the funds which policyholders will entrust to the life insurance companies."

Palmer Tells Intentions

In the annual report of Insurance Director Palmer of Illinois as of June 30, 1936, announcement is made that a complete insurance code bill will be presented to the next legislature. A definite program has been worked out so that the laws may be put into force without delay if they are passed. The code that Mr. Palmer first presented was defeated in its entirety on two occasions but he states that several important portions of it were adopted.

Although the report was issued as of June 30, Mr. Palmer treats the fire insurance rate controversy which was not settled until this fall. He referred to the fact that the department ordered a 10 percent rate reduction on dwelling risks throughout the state; that most of the companies brought an injunction suit and that a settlement was finally effected by the companies cutting rates 5 percent.

The investigation into rates is being continued to include the more important coverages, he declared, by requiring the filing of experience figures which will give the department full information re-

garding the whole matter of rates. Never before, he said, has the department had any data that would enable it to determine whether insurance premiums were excessive or fair and reasonable. A rate regulation and anti-discrimination law has been prepared for submission to the next session of the legislature, he declared.

Marks Fifth Anniversary

Manager Horace Russel Smith's anniversary as head of the Jefferson Standard Life's Houston office was celebrated with a meeting attended by President Julian Price, Associate Actuary D. E. Buckner and General Counsel C. R. Wharton. Since Mr. Smith took charge the agency's business in force has jumped from \$4,000,000 to \$8,000,000. The agency has shown a net gain in force in all but 12 of the 60 months and a gain every month for the last 36 months. New first year premiums, exclusive of annuities and single premiums,

for the first nine months of this year, were 25 percent greater than for all of last year.

Fight New York Job Law

NEW YORK, Oct. 29.—Representing 1,500 employers, Associated Industries of New York State and several individual firms have filed briefs in Washington questioning the constitutionality of the New York unemployment compensation law, in preparation for arguing the validity of the law next month. The act was upheld by the New York court of appeals.

Bars Preferred Stock in Oklahoma

In response to an inquiry from Commissioner J. G. Read, the attorney general of Oklahoma holds that a domestic life company can not be incorporated and licensed to do business in Oklahoma when a portion of its authorized capital is preferred stock.

CATCHING THE TIDE

As the captain and the crew of the old clipper ships made ready and cast off at the turn of the tide, that they might be in mid-stream to catch the full ebb tide, so is the Great Southern outbound on the crest of Recovery. Well trained and staunchly "bottomed" through definite and continuous training, and well equipped with sea-worthy coverage in both participating and non-participating life insurance contracts, her Representatives face the prospect world with eager enthusiasm.

Advancing with the Great Southwest, the Great Southern Life is forging steadily onward. For the first half of 1936 her representatives delivered and paid for 17% more Protection than during the first half of 1935.

Our non-forfeitable renewal agent's contract offers enviable opportunities.

GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. Greenwood, President

HOME OFFICE: HOUSTON, TEXAS

Speaks at Lions Club Under New York Association Aegis

FIRST OF SERIES OF LECTURES

Harper Dowell Inaugurates Work of Educating Laymen Along Insurance Lines

NEW YORK, Oct. 29.—The address of Harper Dowell of the Warner agency of New England Mutual Life in New York City before the Lions' Club of Staten Island yesterday inaugurated the New York City Life Underwriters Association's program of talks before local organizations in the metropolitan district. Mr. Dowell spoke on "An Age-Old Answer to the Old Age Security."

Other addresses on life insurance subjects on dates yet to be announced will be before the Floral Park Lions' Club where two addresses will be given; the parent-teachers' association in Woodmere; the men's club of the Creston Avenue Baptist Church in the Bronx; the parent-teachers' association of the Horace Mann School in Manhattan and the parent-teachers' association of the John Lewis Childs School in Floral Park. It is hoped that 50 speakers will be scheduled for this season.

To Be Strictly Educational

It is the aim of R. G. Engelsman, president of the association, and of the committee in charge, which is headed by F. Ellsworth Baker, to make this series of addresses interesting and strictly educational with no emphasis on the selling side whatever.

In his talk before the Staten Island Lions' Club Mr. Dowell traced the rise of the old-age problem through its development in the present industrial age, pointing out that the situation has become pressing and momentous. After reviewing public attempts to provide for the aged in Europe and in the United States Mr. Dowell turned to old age security under private auspices. Under this heading he dealt with industrial pensions, trade-union pension schemes and lastly the institution of life insurance which he said has furnished the answer for 100 years.

Five talks have been prepared in outline by the committee. The first was given by Mr. Dowell. The others are "The A. B. C. of Life Insurance," "Education—Its Cost and Its Financing," "A Personally Planned Economy," and "The Human Side of Investment."

Life Insurance Instruction

Life insurance instruction in the higher educational institutions of this country has made very rapid strides since the World War. A recent survey completed by the American College of Life Underwriters shows that 143 colleges and universities offered, during the academic year just past, 332 courses along insurance lines. The results of the college survey are embodied in a recently published booklet entitled "College and University Courses in Insurance."

Equitable's Group Insurance

On Oct. 1, the group life insurance in force of the Equitable Life of New York amounted to \$1,653,576,000, exceeding by \$144,000,000 the previous high mark of \$1,509,000,000 that was reached Jan. 31, 1932. This year the Equitable passed the million mark in number of lives insured under the group plan.

Col. W. W. Bussey, 83, who put \$15,000,000 on the books of the Union Central Life as special agent in Birmingham, died there after a short illness. He spent 38 years in life insurance in Birmingham and was one of the leading producers in the south. In his 80th year he wrote \$300,000 of business.

Pertinent Observations

Comment is Made on the Trend of Interest Rates and Balanced Portfolios

BY R. A. CALKINS
Indianapolis

In a recent issue of THE NATIONAL UNDERWRITER, two executives of different life companies were reported to have predicted a rise shortly in interest rates on investments. In the same issue, it was reported that the company represented by one of these executives would reduce its interest rate on advance premium deposits to 2 percent in the near future. The other executive is alleged to have mildly criticized as hasty the action of companies that have adopted lower interest rate reserve bases.

The extreme depth to which the recent depression ran has made obsolete most financial rules of thumb. Interest may or may not be due for a rise. It is indelibly stamped on our memory, that the president of a large life company which is noted for its soundness, made a statement in our presence not so long ago that his company anticipates low interest rates for the next twenty years. This man, several years ago, declined a partnership in the firm of J. P. Morgan & Co.

Necessity for Safety Is First Consideration

Whether interest rates are to remain low or are due to advance, is not for the writer to predict. We do feel called upon to say, however, that no company should be criticized for having adopted a lower assumed interest rate on its reserves for future business. Such a move can be construed only as a safe and conservative action that carries no investment penalty. The company with a relatively low assumed rate has the same investment opportunities and can earn just as high interest as any of its competitors. It merely has greater latitude which makes for greater safety in periods of low interest rates. All other things being equal a higher premium is necessary, but that is not a worthy opposing factor where safety is concerned. The public is rapidly learning that insurance contains no lasting, drastic bargains.

Trend in Some Quarters Toward Mutualization

There seems to be a definite trend in some quarters today toward mutualization of stock life companies. Frankly, we are uninformed as to the motives behind this movement and we shall be glad to devote some space to explanations that are sound, plausible and enlightening.

It is a well known fact that the capital of a stock company is supposed, in large part, to act as a layer of safety for policy obligations just as the divisible surplus protects the contracts of a mutual company. The difference between the actual net interest earning on investments and the assumed or guaranteed reserve rate of interest has a most definite bearing on stock dividends and stock values. Despite scattered opinions to the contrary the preponderance of opinion is that interest rates will remain low for many years to come. Could it be that the policy-owners of the companies contemplating mutualization are going to be given the opportunity of buying this blanket of safety just at the time when stockholders should supply it free of charge?

It will be interesting to note whether the same erudite guidance will be supplied these companies by their same sets of officers (usually large stockholders) at the same sets of salaries, or whether the proxies will be accompanied by unbiased information about several aspirants for each principal office, thus giving the policy-owners some choice in the management of their company. It also will be interesting to see

what method of stock evaluation is pursued. The most basic method of determining the monetary value of property is to consider its earnings record for several years in the immediate past.

A balanced company investment portfolio is the best safe-guard for any life company, as the experience of the oldest companies have shown. By "balanced" we mean a division of invested funds as to the various fields (government bonds, utility bonds, industrial bonds, city mortgages, farm mortgages, etc.) in such a manner that serious loss in any one field would not destroy, the solvency of the company. I recall the instance of a company that in 1932 advertised that 85 percent of its investments were government and municipal bonds. Of course, when you saw the financial statement, a part of which is illustrated below, you immediately were aware that the emphasis was on municipal bonds, but still the statement looked fairly good when you consider the indiscriminate publicity that was being given railroad bonds, farm mortgages, etc. during the dark hours. Here is a list of Jan. 1, 1933, assets, the monetary figures of which we have changed in amount (to avoid identification of the company) but not in proportion:

Government bonds	\$ 139,023
Municipal bonds	11,397,813
Special assessment bonds.....	None
Industrial bonds	None
Real estate mortgage bonds.....	None
Railroad bonds	None
Railroad equipment bonds.....	None
Railroad mortgages	None
Railroad stocks	None
Real estate mortgage loans.....	None
Collateral loans	None
Cash on hand	251,787
Loans to policyholders	1,035,046
Real estate (home office building)	215,292
Other real estate	None
Money borrowed from banks.....	None
Money borrowed from individuals	None
Money borrowed from R. F. C.	None
Furniture and fixtures.....	No credit taken
Accrued interest (accrued but not due)	377,216
Premiums in the course of collection	37,058
Total ledger assets.....	\$13,453,237

Balanced Portfolios Are Best

What a proud display of things not owned! In strict reality, all of the bad eggs were in one basket—and the real panic in that home office came when a bill was introduced in the Congress that would have padlocked the lid on the basket by means of a moratorium on state and municipal bonds.

Compare this predicament with the Jan. 1, 1933, position of an eastern company that is now nearing the century mark in years of experience. Not more than 17.6 percent of the latter company's funds were invested in any principal division of the investment field. Only 4.9 percent were in state, municipal and provincial bonds. The admitted assets could have shrunk 20 percent and still there would have been sufficient value left for reinsurance. In other words, a total loss in the largest division of the investments could have been absorbed without sinking the ship. Balanced portfolios are best.

Honor Trust Council

The Boston Life Insurance & Trust Council held a past presidents' night. President J. H. Atwood called on the ex-officers for five-minute speeches and responses were made by Henry Andrews, Old Colony Trust; F. W. Ganse, Ganse-King Estate Service; Lester von Thurn, John C. Paige Co., and B. S. Collins, Old Colony Trust Co. The midwinter trust conference of the council will be held in January.

Judge Balks Trustee's Plan to Insure Bankrupt's Life

HAD INCOME FROM ESTATE

Coverage Desired to Protect Against Occurrence of Death Before Garnishments Paid Debts

NEW YORK, Oct. 29.—An effort to insure the life of a bankrupt whose life interest in a trust fund had been garnished by the trustee in bankruptcy has been defeated by a decision of Henry W. Goddard, United States District Court judge for Southern New York. The bankrupt, William A. Levy, had refused to be examined for insurance and the trustee was seeking to compel him to submit to examination and also was asking the court for permission to use the funds to pay the necessary premium.

Mr. Levy has a life interest in an estate which pays him about \$5,000 a year so that the 10 percent garnishment allowed by law would take about 30 years to extinguish the total spent of \$14,738.

Denying Mr. Levy's contention that the creditors had no insurable interest in his life, Judge Goddard cited precedents for holding that there was such an insurable interest in this case, although not necessarily in every bankruptcy case. He rejected the idea on the ground that the continuing of the estate in bankruptcy for 30 years instead of immediately liquidating it is contrary to the spirit of the bankruptcy act. The judge suggested, however, that if the creditors wished to, they might buy from the trustee this particular asset and then, as assignees of the claim, they might be in a position to seek the insurance on Levy's life along the lines suggested by the trustee. David L. Charal represented Mr. Levy.

Postal National Convention Will Go to Bermuda Dec. 12

Presidents Club members of the Postal National Life will sail from New York on the "Monarch of Bermuda" Dec. 12, returning to New York Dec. 18. While at Bermuda they will be at the Hotel Langton, Hamilton. The convention party will include 20 members, Mrs. A. B. Jordan, president of the company, and Vice-President M. J. Denda.

The Bermuda cruise will be the first agency convention of the Postal National. The company was established in 1929 as an agency adjunct of the Postal Life of New York. The Postal National shows a gain in new business over last year, and insurance in force has increased \$700,000 over this date last year.

Premiums 42c; Judgment \$635

LITTLE ROCK, ARK., Oct. 22.—The Arkansas supreme court has been asked to review a judgment of Monroe circuit court, directing the Life & Casualty of Nashville to pay \$635 on a policy for which it had received 42 cents in premiums.

The company alleged it was liable only for return of the premium because the insured, James D. McCrae, Jr., 19, was afflicted with a heart ailment when the policy was written. The youth's father testified that he did not know of the boy's ailment until several weeks after the policy became effective.

Only two weekly premiums of 21 cents each had been paid, but the grace period carried the policy beyond the date of the boy's death.

The London Life appointed Samuel Shergold manager of its industrial division in the St. Catharines, Ont., district. He succeeds Hugh J. Cook, who is transferred to Montreal.

THE WEEK IN INSURANCE

Life Extension Institute will cease making physical examinations, according to agreement with New York attorney-general, ending latter's efforts to have the institute dissolved as practicing medicine as a corporation. **Page 1**

Program is announced for annual meeting of **Life Advertisers Association** in Chicago. **Page 1**

Shortage of skilled office workers, resulting from curtailment of apprenticeships during depression, now being felt in New York City, National Employment Exchange's publication states. **Page 1**

Joint meeting of the two big associations of actuaries is held in White Sulphur Springs, W. Va. **Page 1**

President Cox of the John Hancock Mutual and several other head office officials complete an agency trip through the middle west and south, coming in contact with more than 3,500 representatives. **Page 2**

Henry Moir, president of the United States Life, becomes chairman of the board, being succeeded by C. V. Starr. **Page 3**

Committee of American Life Convention evenly divided in study of total permanent disability clause. **Page 8**

Dr. Francis Carter Wood, noted cancer expert, stresses the necessity of **accurate cancer diagnosis** in address before Life Insurance Medical Directors' Association. **Page 4**

Association of Purchasing Agents of Insurance Companies has been formed in New England and may be extended. **Page 6**

Uptodate developments in the **Pacific Mutual Life's** rehabilitation. **Page 4**

Federal judge in New York bars **plan to insure bankrupt's life**. **Page 10**

Address at Staten Island Lions Club inaugurates New York City Life Underwriters association's program of lectures on insurance before layman groups. **Page 10**

Insurance offices lead in the application of attitude tests to prospective employees, members of American Management association office management conference are told. **Page 3**

Missouri department given approval at state association convention, but Superintendent O'Malley not mentioned in resolution. **Page 6**

H. R. Pierce succeeds O. D. Clark as secretary of the National Life of Vermont. **Page 14**

Buffalo Life Underwriters Association plans to celebrate its 50th anniversary. **Page 17**

"**Full Speed Run**" from now to end of year, to test agent's abilities, urged by A. V. Youngman of Mutual Benefit at New York City meeting. **Page 23**

Roy R. Fuller and C. F. Hibbard, Northwestern Mutual.

NAME MIAMI COMMITTEE

A C. L. U. committee of the Miami Life Underwriters Association has been named to cooperate with the American College of Life Underwriters in preparing insurance men for the coming C. L. U. examinations. It is planned to further the establishment of a course in life underwriting at the University of Miami.

The committee, of which Loper B. Lowry, Gulf Life, is chairman, is composed of Sam Seittin, Aetna; Arch Cassidy, Equitable; E. E. Ayars, Penn Mutual; Lawton Rast, Mutual Benefit; Tom Payne, Prudential; W. J. Brown, Mutual Life.

LOS ANGELES CHAPTER'S DINNER

The Los Angeles C. L. U. chapter held a banquet at which H. D. Leslie, general agent Northwestern National Life, was the principal speaker. Kellogg Van Winkle, Equitable of New York, presented C. L. U. diplomas to H. E. Belden, Union Central Life; W. A. Gee, New York Life; H. B. Keeling, John Hancock Mutual; M. I. Scott, S. W. Snyder, Ron Stever and H. E. Kaye, all of the Equitable of New York, and Raywood Frazier, Occidental Life.

Missing Policyholders' Bureau

COLUMBUS, O., Oct. 29.—The Ohio department has set up another bureau, its purpose being to locate lost policyholders. Life companies have compiled a list by counties alphabetically arranged of those whose policies have matured by death or otherwise, and whose beneficiaries have not been found. It is said there are 5,000 such policies in Ohio, and the amounts range from \$7 into the thousands.

Dallas Class Is Started

Floyd West & Co., Dallas, general agents Manhattan Life, inaugurated a course of instruction in life insurance, Oct. 16, for local agents and prospective agents. The course is being conducted by Al Partrick, manager of the life department, and will continue for six weeks, each Friday evening, at 5 p. m.

Nebraska Institute Meeting

The Nebraska Insurance Institute met at the office of the Midwest Life

in Lincoln and continued the discussion of handling renewal premiums. Actuary Clyde W. James and his assistant, Miss Sorick, gave a demonstration of handling renewal premiums through stub accounting. The next meeting Nov. 10 will be held in Omaha.

Figures of Southern Life

In reporting the results of the operations of the Southern Life of Atlanta at the end of its first year of active business on Aug. 22 the figures of the Southern Insurance Securities Corporation, the fiscal agency, were given instead of those of the Southern Life. As of Aug. 22, 1936, assets of Southern Life amounted to \$196,630, capital \$154,400, reserve for contingencies \$41,675.

Seized on Unlicensed Charge

Officials at Chillicothe, O., have under arrest Harry B. Felton, as part of a

drive in Ohio to stop the sales of insurance by unlicensed solicitors for companies not authorized in Ohio. The Columbus Better Business Bureau aided in working up the case.

Roger Skinner, manager of the life department of Leedom, O'Connor & Noyes Co., Milwaukee, is in a serious condition at John Hopkins hospital at Baltimore. He entered the hospital recently for an examination while on his way to Florida where he expected to spend the winter, and remained for treatment. His condition has shown little change and is considered grave. Mr. Skinner has been in poor health for quite some time and spent last winter in Florida to recuperate.

OPPORTUNITIES are more powerful than conquerors and prophets.

Get **Reducing Your Taxes**, 50-page booklet, 50 cents. Order from National Underwriter.

C.L.U. NEWS

McCahan Tells Fallacies in Attacks on Life Insurance

Dr. David McCahan, dean American College of Life Underwriters, speaking at a luncheon meeting in St. Paul sponsored by the Twin Cities C. L. U., discussed fallacies about life insurance that have gained a foothold as the result of books and magazine articles. The three major fallacies, he said, are: (1) That policyholders forfeit part of their premium money because of the high premiums charged for certain types of insurance as contrasted with other types; (2) that switching is often advantageous to the policyholder, and (3) that the life insurance agent is an unnecessary expense and should be dispensed with.

Dr. McCahan said all these fallacies were based on a wrong conception of the purpose of life insurance. He explained why there is no forfeiture of money as between different policies; pointed out how switching often does the policyholder more harm than good and declared that the life insurance agent can not be dispensed with in the economic scheme any more than any other middleman.

He awarded C. L. U. diplomas to Dean H. Fields, Prudential, A. G. Langford, Northwestern Mutual, and Paul V. Cottingham, Mutual Life of New York, all of St. Paul, and M. J. Nolan, Travelers, Minneapolis. This brings the membership in the Twin Cities chapter to 23.

Addresses Detroit Chapter

Addressing 150 Detroit underwriters and C. L. U. members and students at a luncheon meeting of the Detroit chapter, Dean McCahan talked on "The Position of the Life Underwriter in the Present Economic System," stressing the varied problems that confront large policyholders in relation to taxation, estate planning and other factors, and the part that the alert life underwriter can play.

He also discussed the value of educational work for underwriters, the progress made by the C. L. U. movement in recent years and the present plans of the American College. He presented C. L. U. diplomas to H. J. Altick, Massachusetts Mutual; L. D. Burnell,



Your Prospect

is a character in the story you have to tell. Your narrative is built for him and around him. Tell this story with a purpose. Place the prospect, his family and their needs in the picture and you will keep his interest alive.



The Prudential

Insurance Company of America

EDWARD D. DUFFIELD, President

Home Office - Newark, New Jersey

EDITORIAL COMMENT

Going to Rescue of Agents

THE new president of the NATIONAL ASSOCIATION OF LIFE UNDERWRITERS, A. E. PATTERSON of Chicago, is whole heartedly in favor of the movement of the agency practices committee engineered by the companies to improve conditions out in the field. Mr. PATTERSON will make that the chief objective during his administration, viz., to improve the condition of the rate book man. Regardless of other considerations he is firmly convinced that something must be done, not only to raise the standard but to put the competent, trained, conscientious agent in a position where he can live comfortably and not be solicitous as to his living.

There are two features in the program inaugurated by the companies led by a committee of which W. W. JAEGER, vice-president BANKERS LIFE OF IOWA, is chairman. In the first place, those signatory to the agreement pledge themselves not to have any part time agents in points of 50,000 population or more, and secondly, not to appoint unfit agents anywhere. That seems a very reasonable and businesslike program.

Mr. PATTERSON in a militant way is carrying this message to the field and urging agents everywhere to get behind the banner. He is anxious to do everything possible to improve the status of the men out on the firing line. In a sense he believes they may be truly the "forgotten men" in life insurance.

Certain it is that life companies need to study most profoundly and earnestly the situation with regard to men who are producing the business. The work is much harder than it has been, the opportunities for production are less, the buying power has been decreased, smaller policies are be-

ing written. There should be a substantial reward for the right kind of agent who is on a full-time basis.

Undoubtedly the part time men in the larger centers do much to demoralize the business. JAMES M. HAMILL of San Francisco, agent of the EQUITABLE LIFE OF NEW YORK, who is past president of the SAN FRANCISCO LIFE UNDERWRITERS ASSOCIATION, in a recent address referred to the conclusion reached by H. C. LINK, secretary of the PSYCHOLOGICAL CORPORATION, in which the latter took the position that the greatest cost of life insurance is the time and energy the public has to spend in getting rid of poorly equipped salesmen. He declared that the selling of life insurance is one of the most wasteful businesses there is because it saps the energy of its really good salesmen by allowing its majority of poor ones to build a resistance to insurance among good prospects.

Mr. HAMILL said it was estimated that 10 years ago there were 100,000 life agents in the country and he believes now there are almost 200,000. The average weekly earnings of these men is \$12.50. In San Francisco alone, he observed, there are more than 25,000 licenses issued to those soliciting life insurance. Mr. HAMILL feels that if the agency system is to survive it must rid itself of the "disgrace of having to recruit a new army of agents each year."

President PATTERSON has struck a note of helpfulness and good cheer, trusting that the 57 companies now signing this agreement will have many others added to the list and thus add great momentum to the movement to assist the men on the firing line.

The Government Will Still Live

AMID all the wear and tear, speech making, ballyhoo, charges and counter charges, fears and tears during this red hot political campaign it is refreshing to have a man of the caliber of President GUY W. COX of the JOHN HANCOCK MUTUAL LIFE assure us that notwithstanding what party is victorious at the polls next week, busi-

ness will continue on the upgrade and economic conditions will be more favorable. Mr. COX is a shrewd business man and has a broad view of the economic horizon. He feels confident election of a particular man or party president will not today jar the United States off its extremely solid pedestal.

The Life Extension Institute

Attorney General BENNETT of New York has won a technical victory in getting the LIFE EXTENSION INSTITUTE to agree to stop making physical examinations. Fortunately, the valuable service which the LIFE EXTENSION INSTITUTE has furnished to life companies for more than 20 years will still be available, since the same physicians who have been making the examinations for the institute will continue to do so as individual physicians,

while continuing to have the data and technical facilities of the institute just as before.

Statements attributed to the attorney general's office to the effect that the decree curbing the institute's activities marks an important victory for the principles of the state department of education governing corporate practices in New York will raise a good many doubts among people who do not take narrow

technical view of what constitutes corporate practice of medicine.

There is no reason to suppose that the work done by the institute in the past will be any less successfully handled now that it is to be split up between groups of private physicians on the one hand and the institute on the other. The enforcement of such a provision at the

beginning of the institute's career might have made it difficult or impossible for it to get under way. Now, however, with the momentum the life prolongation movement has acquired, the proven success of the idea should be sufficient to keep these activities in full swing, even though they must hereafter be conducted on a divided basis.

On Time for Appointments

THERE is nothing more aggravating than having made an appointment to find the person whom you are to meet late. That is almost a personal insult. The man who is on time or a little

before time does not lose an order. If he is behind time he may offend the other person. Therefore it is a good thing to be on time whenever an appointment has been made.

PERSONAL SIDE OF BUSINESS

Walter S. Pope, formerly casualty commissioner of Texas, is now practicing law in Abilene, Tex., under the firm name of Pope & Pope, Walter S. Pope, Jr., being a partner in charge of the Anson, Tex., office. Mr. Pope lived in Coleman county 20 years and practiced law at Anson, Jones county, for 22 years before becoming casualty insurance commissioner, he serving that office from 1928 to 1935. He was regarded as a very competent man.

Louis Silverman will be honored at a luncheon in Newark, Nov. 14 to honor his connection with the John Hancock Mutual Life for the past 20 years in New Jersey. Mr. Silverman is district manager for Hudson county.

William Brosmith, vice-president of the Travelers, who is approaching his 80th birthday, is very ill. Early this week his condition was reported as being improved but there is much solicitude as to the eventual outcome. He has been connected with the Travelers since 1895.

Matthew Brown, San Antonio general agent General American Life and president San Antonio Life Underwriters Association spoke to the San Antonio Kiwanis Club on "Life Insurance from the Buyer's Standpoint."

Foster Vineyard, supervisor Aetna Life, Little Rock, Ark., has been named chairman of the Pulaski county board of election commissioners.

Julian Price, president Jefferson Standard Life, has been commissioned a Texas ranger by Governor Allred of Texas.

E. Lee Trinkle, president Shenandoah Life and former governor of Virginia, is on a speaking tour of Virginia, campaigning for President Roosevelt. He is rated as one of the best stump speakers in the state.

Henry Tryloff, district manager Sun Life, Mt. Clemens, Mich., celebrated his 29th anniversary with the company. He was a consistently large producer from the beginning and frequently during these 29 years has led the Michigan agency force in paid-for production and often ranked high among the entire field

force of the company, despite the fact that he works in a small suburban city. He has qualified for special mention on the honor roll every month this year.

W. L. Hilleary, who during the early period of the "Diamond Life Bulletins" was business manager at the Cincinnati office, is a candidate for Congress on the Republican ticket. Mr. Hilleary, before joining THE NATIONAL UNDERWRITER, was an agent for the New England Mutual in Tennessee and is now manager of the Southern Silk Mills at Spring City, Tenn.

P. K. Lutken, executive vice-president of the Lamar Life, has been appointed a member of the advisory council of the Mississippi Unemployment Commission, representing employers.

E. J. Marshall of Chicago has qualified as president of the William Montgomery Quality Club of the Acacia Mutual Life for 1937. The presidency of this club is based on the quality of business produced. Other officers of the club are W. B. Vennard of Houston, E. M. Fontany, West Virginia; R. L. Barnwell, Oakland; E. M. Barr, Youngstown.

Fritz A. Lichtenberg, general agent Massachusetts Mutual Life, Columbus, O., is nursing a severely burned right hand, the result of a burst of flame from a furnace as he was about to refuel it.

Dr. L. G. Sykes, who has been with the Life Extension Institute in New York as medical director, has resigned. He was formerly assistant medical director of the Northwestern Mutual Life and on May 1, 1924, he was made medical director of the Connecticut General. He is a former chairman of the American Life Convention's Medical Section.

Milton A. Jewell, superintendent of Maine agencies of the Union Mutual Life for some 40 years at the time of his retirement in 1933, died in Portland at the age of 83.

Charles A. Hood of the A. D. Katz agency of the Mutual Life of New York in Portland, Ore., is celebrating his 24th anniversary with that agency. Before going there he was for 10 years in life insurance work in Indiana. In the past



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LIFE INSURANCE EDITION
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six months Mr. Hood has delivered checks to widows of men he insured more than 30 years ago in that state.

Craigie Kravenbuhl, vice-president of Commonwealth Life, has been elected president of the Louisville Country Club. He has been one of the club's leading golfers for several years.

Willis Pease of the policy loan division of the Connecticut General has just celebrated his 40th anniversary with the company. Only four other persons have been with the company longer than Mr. Pease.

Dr. S. E. Stilwell, 77, vice-president, actuary and a director Western & Southern Life, died after an illness of several weeks. He had been for 40 years in the home office and field, entering the actuarial department of the Penn Mutual when temporary loss of hearing forced him to give up teaching at Allegheny College. From 1894 to 1900 he was an agent of the John Hancock Mutual at Cleveland, then was appointed actuary of Ohio by the late A. I. Vorys, then superintendent of Ohio. Dr. Stilwell became actuary of the Western & Southern in 1917. He was active in securing reforms and im-

provements in life insurance supervision and legislation, serving as a member of the committee of 15 in 1905 which devised model insurance codes as a result of the Armstrong investigation, carrying his ideas before the Ohio legislature and securing enactment of standard provision laws. He was a member of the committee on blanks of the National Association of Insurance Commissioners and in 1910 helped design the Mobile bill, one of the first steps taken to insure the solvency of fraternal through adequate state supervision. Dr. Stilwell was a fellow of the Actuarial Society of America.

Harry W. Stanley, Equitable of Iowa general agent at Wichita, Kan., organizer of the Wichita Rotary Club in 1911 and a former international vice-president of Rotary, was jointly honored with Paul P. Harris of Chicago, founder of Rotary International, at the silver anniversary meeting of the Wichita club, attended by some 800 members and guests from Kansas, Oklahoma, Missouri and Nebraska.

Walter W. Head, president General American Life, is serving as chairman of the church cooperation committee of the United Charities campaign in St. Louis.

shows real estate \$19,615,482, mortgage loans \$15,961,219, policy loans \$26,281,469, policy liens \$23,397,817, bonds \$20,883,189, stocks \$4,754,324, cash \$7,548,912. Policy reserves total \$117,631,257.

The company is handling its real estate conservatively and the real estate account's book value of \$21,240,481 was valued by the examiners at \$23,315,731, although this is not reflected in the admitted assets as finally set up. The examiners indicated that various real estate holdings in most cases can be sold for more than the book value. The gross income from real estate is increasing, being \$1,330,948 in 1933, \$1,826,396 in 1934 and \$2,106,895 in 1935. The examiners commented favorably on the conservative policy the company has followed in handling its real estate.

Mortgage loans carried at \$15,961,219 were given a sound value of \$16,914,376 by the examiners. Bonds with a book value of \$20,883,189, now have a market value of \$22,694,275 and an admitted value of \$20,828,878. The report shows that bonds bought for \$18,105,848, have since 1933 been sold for \$19,591,211. Stock showing a book value of \$4,754,324 were estimated to be worth \$6,379,254, the market value at time of examination. They were admitted at \$4,788,254. Included in the stock were 105,000 shares of Southwestern Life carried at \$4,725,-

000. The examiners estimated the sound value of this asset at \$6,300,000. The Missouri State Life paid \$7,617,659 for this stock in July, 1929, several months before the stock market crash of that year.

The report said that the General American is doing everything possible to conserve and keep in force the old policies. The old company's commercial accident and health business has been operating at a loss but the new company has agreed to take over the remaining business on a basis that will eliminate this annual drain. This arrangement started on Sept. 1. Group accident and health account of the old company has proved profitable and will be retained in that account.

Will Probably Drop Matter

LITTLE ROCK, ARK., Oct. 29.—Information received here indicated that the proposed move to throw the Home Life of Arkansas into a receivership and to break the reinsurance contract under which the Central States Life of St. Louis is handling the business, likely will be dropped.

It is understood that Attorney-General Bailey, sensing the probable repercussions of such a program, had decided his office would take no action in the absence of a formal certification to him

NEWS OF THE COMPANIES

Northwestern Mutual's Gains

Substantial Increases All Along Line Shown in Company's Statement as of Sept. 30

New paid-for insurance of the Northwestern Mutual Life for the first nine months was \$199,696,049, an increase of 6.5 percent. The number of new policies was 54,258, increase 5.8 percent. In addition there were 1,347 annuities for \$6,331,346.

As of Sept. 30, 1,022,322 policies were in force for \$3,756,884,566 of insurance. This is a gain of 17,709 policies and \$39,198,881 of insurance. Total income for the nine months was \$152,356,967. Assets are \$1,116,799,854, a gain of 5 percent over a year ago. Bond investments aggregate \$517,629,167 or 46 percent; an increase of 14 percent. Mortgage loans total \$301,396,562 or 27 percent of assets, and show an increase of \$1,725,873. Policy loans, \$188,346,877, show continuing decreases, the reduction below a year ago being 8.5 percent.

Bar Republic Mutual Union

DAVENPORT, IA., Oct. 29.—District Judge Scott gave judgment for the state in the quo warranto proceedings to bar the Republic Mutual Union from doing business in Iowa. The company offered no defense. Mrs. D. M. Miller, secretary, accepted service in the suit. Daniel W. Roberts, now of Chicago, was president of the company. The state contended that it had been doing an insurance business without proper authority or complying with Iowa laws.

Occidental Broadening Out

The Occidental Life of Los Angeles is gradually extending its operations throughout the central west. When it was licensed in Indiana that was the first state east of the Mississippi to grant it a license. It is now entering Ohio, Illinois and Michigan. The Occidental is operating in 26 states, Alaska, Canada, Hawaii and the treaty ports of China.

New Company in Minnesota

The Equitable Mutual of Minneapolis has been licensed in Minnesota to write health, accident and life on the cooperative plan. Charles Bierbaum is president; I. M. Nelson, vice-president, and L. M. Canfield, secretary-treasurer.

General American Commended

First Convention Report Reveals Conservative Valuation—Everything Possible Being Done for Policyholder

In the first convention examination of the General American Life since it took over the Missouri State Life in September, 1933, assets were placed at \$124,410,970, \$18,583 more than the values in the company's Dec. 31, 1935, statement. The surplus is \$1,847,728, or \$19,010 more than the company's figures. Gross assets were placed at \$124,990,970. Of the admitted assets \$121,569,379 are carried in the Missouri State Life account and \$2,841,591 in the General American.

The report indicated that the General American contemplates a \$5,000,000 reduction in liens against the old Missouri State Life policies on Dec. 31.

Aware of Obligations

Examiners from Missouri, Oklahoma, Alabama, California, Colorado, Illinois, Indiana, Iowa, Nebraska, North Carolina, Oregon, Tennessee, Texas and Washington, noted the fact that officials of the General American Life are fully aware of their obligations to the policyholders of the Missouri State Life and are endeavoring to administer affairs so as to give the utmost benefit to them. They commented favorably on the sale of the control to the Southwestern Investors Corporation, which is the first step toward complete mutualization of the General American. "The adoption of mutualization plan and the elimination of the Milton interests will remove the possibility of manipulation of the company's stock and should prove beneficial to policyholders," the examiners said.

Report in Force Totals

On Dec. 31 the Missouri State Life had \$390,883,442 ordinary life in force and \$326,548,467 group, \$7,861,900 reinsurance and 539 annuities.

In the new company account \$18,182,700 ordinary is in force, \$14,481,600 group and 59 annuity contracts. Persistency of the old company business was 85.1 percent in 1934 and 95.5 percent in 1935. The mortality rate was 80.92 percent of the expected on ordinary and 84.06 percent on group in the old account and 14.51 percent on ordinary and 79.69 percent on group written direct by the General American.

An analysis of the principal assets

GAINS

Record first nine months 1936 compared with results attained in same period 1935:

Total Income \$4,234,321,
up \$371,781

New Paid Business . . . \$9,105,704,
up \$528,674

Admitted Assets \$25,127,097,
up \$1,315,847

Insurance in Force . . \$105,000,000,
up \$1,588,915

THE MIDLAND MUTUAL LIFE INSURANCE CO.

Columbus, Ohio

from the insurance commissioner that the Home Life is insolvent. In that event, he would be required, under the law, to institute receivership proceedings. Commissioner Gentry has been quoted as saying he would not make such a certification, because he felt that any such action would further depreciate the values now attached to Home Life policies. Death claims on Home Life policies have been paid in full by the Central States. Under a decision of the Arkansas supreme court, the Central States is obligated to pay in full any death claim under a Home Life policy.

To Withdraw from California

The Pan-American Life has advised the California department that it will not renew its certificate of authority in that state at the expiration of the present license period.

The Expressmen's Mutual Life of New York has been licensed in Arkansas. P. C. Ausbrook of Little Rock is designated as agent for service.

Erickson Minnesota Deputy

ST. PAUL, Oct. 29.—J. J. Erickson, Duluth, has been appointed deputy insurance commissioner and deputy fire marshal of Minnesota to succeed Dewey Johnson, resigned.

SALES MEETINGS

Regional Meeting at Wichita

Northwestern Mutual Agencies in Four States to Be Represented at Gathering There

The first west-central regional meeting of agents of the Northwestern Mutual Life will be held in Wichita, Kan., Oct. 30-31, and will include the general agencies of H. D. Emmert, Tulsa; A. B. Irwin, Oklahoma City; G. V. Metzger, Kansas City, Kan.; A. B. Ballah, Denver; Franklin Mann, Omaha, Sam C. Pearson, Kansas City, and C. H. Poindexter, St. Louis, will attend with some members of their agencies.

Home Office Men Present

Home office men who will attend include Grant L. Hill, director of agencies; J. T. Gallagher, superintendent of claims; W. R. Chapman, assistant director of agencies, and H. R. Ricker, assistant secretary. C. Q. Chandler, Wichita banker, a trustee of the Northwestern Mutual, will address the banquet, at which Mr. Hill will announce

winners and award prizes in the sales contest.

A dialogue, "Then and Now," will be presented by P. M. Anderson, Wichita, and E. H. Anderson, Topeka, both with the Northwestern Mutual over 50 years and averaging over \$200,000 annually for that period.

Herman Fricke, Omaha, will speak on "My Obligations as a Northwestern Agent; Irvin Renfrew, Wichita, on "Present Day Needs for Northwestern Insurance"; T. M. Waldrop, Oklahoma City, on "Sales Builder in Action"; L. M. Willits of Oklahoma City, B. H. Boehmler of Tulsa and Ralph Thiesen of Lincoln on income insurance; J. R. Maher of Oklahoma City, A. W. Smith of Tulsa and Dwight Ream of Kansas City, Kans., on retirement income; T. F. Wheeler, Tulsa, on "Sales Aids"; Carl Wood, Tulsa, A. J. Lewallen, Oklahoma City, and Corlett Cotton, Kansas City, Kans., on juveniles and women.

Nelson Phelps, assistant director of agencies, and R. E. Perry, assistant secretary, are on a swing through the eastern territory. Starting in New York City with Recht & Kutcher, Oct. 24, their itinerary includes Gooding & Rowley, Newark; L. M. Bull, Poughkeepsie; Glenn Dorr, Hartford, and E. R. Gettings, Albany.

Cross at Agency Meetings

C. F. Cross, second vice-president and manager of agencies Lincoln National

Life, is making his regular annual tour of the agencies in Virginia, North Carolina and Tennessee. He is participating in the agency meetings of the B. Simon agency in Norfolk, Va., Oct. 28; D. M. Hodges agency, Raleigh, N. C., Oct. 29; R. A. Wanner agency, Asheville, N. C., Oct. 30, and Cameron Brackney agency, Knoxville, Tenn., Oct. 31.

Million's Agency Meeting

The Northwestern Mutual Life agency comprising Indiana's southern 36 counties in charge of B. A. Million & Associates will hold its sales conference Oct. 30. Approximately 50 agents from southern Indiana will have luncheon and dinner. The luncheon speaker will be Rev. Matthew Cavell of the First Presbyterian Church, and the headline number of the program will be a talk by Paul Speicher, managing editor of the R. & R. Service of Indianapolis.

The feature of the dinner will be presentation of prizes for outstanding work during the year and a celebration of the agency's most successful year. This is the ninth consecutive year for this meeting.

Travelers Men at San Antonio

H. H. Armstrong, Travelers vice-president in charge of agencies; J. S. Reber, assistant superintendent of agencies; H. B. Gengnagel, Dallas, Texas state manager, and W. A. Page, field assistant, Dallas, conducted a one-day agency conference with representatives of the company in south and southwest Texas at San Antonio, and were guests at a luncheon.

AMONG COMPANY MEN

New Secretary National Life

H. R. Pierce Has Been Elected to the Office to Succeed Col. O. D. Clark

H. R. Pierce has been elected secretary of the National Life of Vermont. Col. O. D. Clark, who is retiring from office, takes charge of death claims and continues as a director. Mr. Pierce



HERBERT R. PIERCE

has been associate secretary, having been assistant secretary up to April, 1933. He will be 48 years of age, Nov. 10, having been born at Bellows Falls, Vt., and graduating from the University of Vermont in 1910. In 1912 he became secretary to United States Senator W. P. Dillingham. While in Washington Mr. Pierce studied law at George Washington University. Senator Dil-

lingham was a director in the National Life and in March, 1916, Mr. Pierce became connected with the company. Four years later he was made superintendent of the loan department and subsequently was appointed assistant secretary. He is a member of the executive committee of the Republican state committee, a director of the Montpelier National Bank and the Montpelier Cooperative Building, Savings & Loan Association. He is a trustee and treasurer of the Kellogg-Hubbard Library in Montpelier.

During the 86 years of history of the National Life there have been six secretaries. Benjamin Balch occupied the position for a few months and the first real secretary was R. S. Howard, who later became president of Norwich University. Then followed J. T. Thurston, who became president of the Vermont Mutual Fire. George W. Reed served as secretary for 45 years and then Joseph A. DeBoer occupied the office, a man destined to become a real genius in life insurance. Mr. DeBoer later became president. Colonel Clark assumed office April 4, 1899.

Canadian Appointments Made

Charles A. Parker has been appointed group supervisor of the Metropolitan Life for Quebec, New Brunswick and Nova Scotia with headquarters in Montreal. After completing his education at the Ottawa Collegiate Institute and McGill University, Mr. Parker started his business life in Montreal. His headquarters are in 304 University Tower building.

E. J. Pope, who has been Montreal group office supervisor, becomes field

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A. B. OLSON, Manager of Agencies

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That is what those who know say of the Central Life. Its executives are genuinely concerned in helping the Field Man solve his problems. There is ample precedent for this attitude—every official of the company has been "in the Field" as a personal producer or as a successful agency manager. Constructive suggestions are invited from the Field Force and the Company's Agency program is based on the firm conviction that the greatest progress is made when the agents make money.

If you are ambitious and industrious, we have the perfect "Team"—the genuine co-operative spirit—that will bring you success.

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FIRSTS

For thirty-four years the "Income for Life" plan has been successfully featured by Fidelity agents. Long before the modern trend to income insurance set in Fidelity pioneered with the first "Income for Life" policy—December 24, 1902.

Fidelity also issued the first life insurance policy providing against Permanent Total Disability—October 16, 1896—and is one of the relatively few companies now writing Disability Income.

The Accidental Death Benefit is another origination of the Fidelity — the first policy issued with this feature being dated February 10, 1904.

The **FIDELITY MUTUAL LIFE**
INSURANCE COMPANY
PHILADELPHIA
WALTER LEMAR TALBOT, President

He has served the company since April, 1933, when he took the Montreal position. Mr. Pope has been going through a period of training at the home office.

Vancouver Secretary Retires

Announcement is made by the Canadian Life of the retirement of J. B. Mathews, branch secretary at Vancouver. He has seen 38 years of service with the company. Replacing Mr. Mathews, H. E. Schuldt has been appointed acting branch secretary.

Officers Visit Texas Agencies

E. B. Raub, president Indianapolis, visited Texas agencies following the American Life Convention meeting

in Dallas. He was accompanied by A. L. Porteus, vice-president, and A. H. Kahler, superintendent of agents.

R. B. Montgomery, assistant vice-president in charge of the mortgage department, and D. F. Roberts, treasurer of the Acacia Mutual Life, have just completed a tour of Texas on which they visited the agencies in Dallas, Fort Worth, San Antonio and Houston.

Benton Agency Assistant

Fletcher C. Benton has been made assistant manager of agencies of the Equitable Life of Washington, D. C. L. H. Hanna, the vice-president, is manager of agencies. Mr. Benton has worked up through the ranks as agent, assistant manager, field inspector and district manager.

LIFE AGENCY CHANGES

Deals With John Hancock

John A. Witherspoon Has Been Appointed General Agent of the Company at Nashville

With the appointment of John A. Witherspoon as general agent, the John Hancock Mutual Life announces the opening of a general agency at Nashville, Tenn., to cover that part of the state not served by its Memphis general agency.

Mr. Witherspoon has been in the life insurance business in Nashville for 14

Sun Makes Several Changes

Canadian Company Shifts Branch Office Managers in Four American Cities

The Sun Life of Canada has made a number of field changes. R. H. Finger, manager Pittsburgh branch, is to succeed R. A. Jennings, as manager at Seattle. Mr. Jennings will take charge of the Oregon branch, and W. W. Barry, manager Halifax branch, will succeed Mr. Finger as Pittsburgh manager.

Mr. Finger, after world war service and duty as rehabilitation officer after the war, was manager of the Cleveland Advertising Club, and then became manager of agencies for the Cleveland Life. Following its merger with the Sun Life of Canada he was appointed Pittsburgh manager. He was president of the Agency Managers and General Agents Committee of that city.

R. A. Jennings began in life insurance work in 1920 with the Western Union Life, Spokane. In 1928 when that company was merged with the Sun Life of Canada he was made manager of the Yakima branch, and in 1925 was promoted to take care of western Washington operations with headquarters at Seattle.

Mr. Barry has been manager of the Halifax branch office since 1926 and has had long life insurance experience, having represented the company in various territories in Canada since 1912. He is a C. L. U. and past president Nova Scotia Life Underwriters Association.

First U. S. Office in Detroit

Northern Life of Canada Transfers Windsor, Ont., Manager to Open Up Field in This Country

The Northern Life of Canada, with head offices in London, Ont., has just opened its first branch office in the United States at 1920 David Stott building, Detroit, with Harry Weingarden, former Windsor, Ont., branch manager, in charge. The company, which was recently admitted to Michigan, plans to build an agency force both in Detroit and elsewhere in the state. Space adjacent to the present suite of offices has been arranged for, to be taken over as required.

Although he has been in the life insurance business less than four years, Mr. Weingarden has made an outstanding record both as a personal producer and as an agency executive. He is the largest personal producer in the company's field force and has been on the honor roll since the first month of his affiliation with the Northern.

When he joined the company in February, 1932, after having been in retail store operation, his quota for the year was set at \$100,000; he paid for \$160,000 in his first three months. He has been president of the company's top produc-



JOHN A. WITHERSPOON

years where for three consecutive years he produced more than \$1,000,000 of life insurance a year. He has been general agent of the Pacific Mutual.

He attended the University of the South in Tennessee and graduated from the Rockwell School of Life Insurance at the University of Pittsburgh in 1924. He was twice elected president of the Nashville Life Underwriters Association and at present is serving his second term as trustee of the National Association of Life Underwriters.

John D. Crews will represent Mr. Witherspoon's agency at Knoxville, Tenn.

Saskatchewan Change

The Canada Life has announced the retirement of Charles Mead as manager for the South Saskatchewan branch. He joined the Canada Life in Saskatoon in 1916 and has been manager of the South Saskatchewan branch since 1923. C. E. Baldwin has been appointed acting branch manager to fill the vacancy.

Mills Agency Supervisor

The Gulf Life has appointed John C. Mills agency supervisor in the ordinary department for the Florida west coast district, with headquarters in Tampa.

tion club, the Norlac Club (\$200,000) since its inception two years ago and has completed 181 weeks of consecutive weekly production.

Several months after joining the Windsor agency he was appointed agency supervisor and two years ago became branch manager. He has resided in Detroit for the past three years paving the way for his venture in this country. He was awarded his C. L. U. designation this year.

Made Home Office Supervisor

The American National ordinary department, eastern division has appointed Cecil K. Dean of Wichita, Kan., home office supervisor for that division. Mr. Dean started in life insurance in January, 1921, and has had a successful career. He attended the Oklahoma A. & M. College, is a graduate of the Saumer Artillery School of Saumer, France, and of an eastern agency building school. He holds the C. L. U. degree. He is a past president of the Wichita Life Managers' Club and author of the publication, "That the People May Know."

He has been Wichita manager for the American National for the past year, prior to which time he was for five

years general agent for a large eastern company. Mr. Dean will make his headquarters in Wichita until the first of the year, when it is contemplated divisional offices will be established in St. Louis.

Diefenbach in New Post

Joseph A. Diefenbach has been appointed director of sales for the Connecticut Mutual Life's Wisconsin general agency with headquarters in Madison, Wis. Mr. Diefenbach was formerly associated with the Mutual Life of New York as a personal producer, district manager and for the past five years as agency manager in Davenport, Ia., and St. Louis. He will have supervision of 30 counties in central and western Wisconsin under the direction of General Agent Kenneth W. Jacobs, Jr. Mr. Diefenbach was in business in Wisconsin for 15 years so he is not new to the state.

Delamater With Watson

Myron E. Watson, newly appointed manager at Boston of the Fidelity Mutual Life announces the appointment of E. H. Delamater as field supervisor. Mr. Delamater in 1920 entered the home office of Connecticut General, serving

for one year in group work and for four years as an agency assistant. He went to the Connecticut General's Boston office in 1925 where, in addition to engaging in personal production, he has served successively as agency supervisor, assistant manager, brokerage manager and tax consultant. He now resigns that connection to enter the Watson agency.

The agency is establishing a brokerage department which Mr. Delamater will supervise.

Kenyon in New Post

Roy V. Kenyon, who has become manager of the Home Life at Grand Rapids, Mich., with headquarters in the Grand Rapids National Bank building, has had 10 years' experience in the business, having spent his entire insurance career with one company. The Home Life is extending its operations in a number of cities throughout the north and east.

Beach Succeeds Wier

Thomas N. Beach of W. B. Leedy & Co., Birmingham, has been appointed to succeed Emmett C. Wier, Alabama manager for Union Central Life, resigned. The Leedy concern has been for some time mortgage loan correspondents of the Union Central in several southern states.

Wiseman to Franklin Life

Jack Wiseman has become St. Louis general agent of the Franklin Life, with offices in the Railway Exchange building. For the past four years he has been assistant manager there of the Acacia Mutual Life.

Rice Takes New Orleans Post

A. L. Rice has been appointed New Orleans general agent of the Protective Life of Birmingham, with offices in the Hibernia building.

Wood & Gay General Agents

Wood & Gay, loan correspondents of the Pan-American Life at Houston, have been appointed general agents for the company in Houston and southeast Texas. Elton S. Porter, an experienced life insurance man, will be in charge of the life department and will be assisted by Tom L. Tew.

Opens Southern Department

The Reliance Life has opened a southern headquarters in Atlanta, with G. C. Lamra, formerly manager of the Florida and Georgia departments, in the post of superintendent of agencies of the new southern division.

The Atlanta office will be in the Healey building and will be directed by R. B. Fraser, formerly assistant manager for Georgia.

Clark Named in Portland

The Provident Mutual Life has appointed Dudley Clark as general agent in Portland, Ore., succeeding A. Oliver Broleen, who resigned recently. The agency territory embraces all of Oregon. Mr. Clark, who is 33, has spent his entire business career in the life insurance business since his graduation from the University of Oregon. He paid for \$500,000 last year.

Lipe With Guarantee Mutual

W. Dow Lipe has joined the M. W. Means agency of the Guarantee Mutual Life in San Francisco. He formerly was general agent of the Oregon Mutual Life in that city.

Charles M. Hassell

Charles M. Hassell has been named western North Carolina manager of the Union Central with headquarters in Charlotte.

Agency Opens Life Department

The Dawson-Shauman Agency, Pontiac, Mich., has opened a life depart-

Former Company Official Transferred to Seattle



R. H. FINGER

R. H. Finger, Pittsburgh manager of the Sun Life of Canada, is transferred to Seattle in charge of the western Washington branch. He formerly was manager of agencies of the Cleveland Life, and when that company merged with the Sun Life of Canada he went along as Pittsburgh manager.

ment and has been appointed general agent of the Columbian National Life. The life department will be supervised by J. M. Cooper, formerly of Detroit.

Name Gilbertson at Eau Claire

The North American Life appointed Gilbert Gilbertson manager at Eau Claire, Wis., with offices at 111 Grand avenue. He has been in the insurance agency business for ten years.

Trout With Security Mutual

C. M. Trout, who recently resigned his connection with the Mutual Life of New York at Topeka, has been appointed manager for the Security Mutual of Nebraska, and has established offices in the National Bank at Topeka.

Life Agency Notes

Chauncey Cox, for two years an agent in the E. M. Sommerville agency of the Penn Mutual Life at Kansas City, has been made sales production manager. He is a graduate of the University of Kansas.

The Mutual Life of New York has appointed James A. Cozza of Youngstown, O., district manager for Mahoning county.

J. E. Whittington, who since 1929 has been with the Metropolitan Life as assistant superintendent at Springfield, Ill., has been appointed a supervisor for the Aetna Life's St. Louis general agency.

C. L. Williamson, home office group representative of the Aetna Life, has been transferred from the Des Moines agency to assist A. F. Mikesell, manager of the group department of the St. Louis agency.

Private Plan Best

LANSING, MICH., Oct. 29.—Actuarial disadvantages of the federal government's social security program as compared with similar employee investments in protection provided by private insurance carriers are pointed out by Commissioner Ketcham of Michigan. The department's actuaries have prepared graphs showing that the average life company will provide an annuity contract for a typical 23-year-old laborer which will pay larger sums, both in a monthly annuity after the retirement age of 65 and in the death benefit during life of the contract, than the government plan.

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NEWS OF LIFE ASSOCIATIONS

Hamill Will Be Chief Speaker

Buffalo Life Underwriters Association Will Celebrate Its Golden Jubilee in Special Ceremony

Superintendent Pink of New York will be the chief speaker at the Buffalo Life Underwriters Association golden jubilee, Nov. 9. A. E. Patterson of Chicago, the new president of the National Association of Life Underwriters, and D. Connell of New York City, president of the New York State Association, will be present. The toastmaster will be Julian S. Myrick, manager Mutual Life of New York in New York City, who is a past president of the National association. There will be two other Buffalo people on the program, being H. L. Ambler, vice-president of the Buffalo Life, and Harvey Weeks, president of the Central Hanover National Bank of New York City. Both are past presidents of the Buffalo association. R. T. Wheeler, former president at Buffalo, is general chairman in charge of arrangements.

* * *

Home Talent Sales Clinic Conducted in Birmingham

BIRMINGHAM, ALA., Oct. 29.—A one-day "business-getter" sales clinic was held by the Birmingham Association of Life Underwriters, home talent speakers being used. Frank Drake presided.

Much of the "psychology of selling," was to do with the salesman eliminating himself from the discussion and bringing the prospect into the picture, said Mr. J. E. Bathurst, professor of psychology Birmingham Southern College. Less ego and more knowledge of the subject needed by the salesman, he said.

The government social security plan, whether constitutional or not, will go a long way toward educating people to work out security plans for their old age, said S. F. Clabaugh, president Protective Life. Birmingham as a young city offers fine insurable values, he said. Mr. Clabaugh introduced Ruth Ratliff, winner of Protective Life's essay contest on thrift, who read her paper and told of the company's recent Central American convention trip.

A sales demonstration was put on by A. C. Turbeville, John S. Ray, J. F. Eubanks and H. E. Beardon, agents of Metropolitan Life. They were introduced by W. H. Harrison.

W. I. Pittman, Alabama manager John Hancock Mutual Life, reported on sales features of the National Association of Life Underwriters.

J. V. Arnold, Birmingham, gave his conception of life insurance as viewed by a policyholder.

* * *

Hamill Is Awarded Trophy by San Francisco Association

SAN FRANCISCO, Oct. 29.—For the development of talent within the association ranks and bringing into active participation in association affairs a group of entirely new underwriters during his term as 1935-1936 president of the San Francisco Life Underwriters Association, James M. Hamill, Equitable Life of New York, was awarded the Heron Trophy at the fall "kick-off" meeting. In making the presentation, William R. Spinney, present holder of the trophy, pointed out that the award is not made annually but, under the rules laid down 12 years ago by F. W. Heron, its designer and donor, only if and when any member of the association performs service of outstanding distinction and merit. In accepting the award, Mr.

Hamill pointed out that participation in association affairs brings forcibly to the underwriter the realization that "there is something quite beyond our agency or our company and that is the institution of life insurance which is bigger than ourselves or our companies and the work that we do in the association is work for the benefit of that institution."

With a membership percentage of 97.54, the Golden Gate agency of the Metropolitan Life under Manager Phil G. Young, was awarded the membership trophy.

The three major planks in the present administration's platform were announced by President Thomas A. Gallagher, Prudential: active and aggressive projection of the "Richle Plan" for the elimination of the part timer and marginal producer; elimination of the absconder and the writer of insurance through misrepresentation; and participation in legislative affairs affecting life insurance. The absconder and "misrepresentation artists" do more to bring down the prestige of life insurance men than any other one element in the business, said Mr. Gallagher.

* * *

California Caravan Meetings

More than 500 attended the banquet given by the Life Underwriters Association of Los Angeles to welcome a caravan of members of the San Francisco association. The program based on the general theme, "Thar's Gold in Them Thar Hills," was carried out as scheduled.

At another Caravan meeting Nov. 28, a group of speakers from the San Francisco association will address the Central California association at Fresno.

Members of the Los Angeles association will appear before the San Francisco association Dec. 7 in an "Exchange of Ideas" program.

* * *

Hutchinson, Kan.—Lee Wandling, new manager Equitable of New York in Wichita, who was to have addressed the association, was called out of the territory at the last minute and in his place appeared J. E. Conklin, Hutchinson district manager of the Equitable. The book "Life Insurance Property" was reviewed by Eugene O'Keefe, president.

* * *

Topeka—Reuben Lackey, supervisor Mutual Life of New York at Topeka, addressed a breakfast meeting at the completion of the membership campaign. Membership has been increased to 72, practically double what it was.

* * *

Wheeling, W. Va.—The fall meeting started with a luncheon at which F. T. Shepherd, Penn Mutual Life, told about the plans for the year. E. W. Yago, manager of the Mutual Life of New York, spoke of the main features of the National convention at Boston. President Shepherd stated that he intended to book speakers of prominence who would stress life insurance from the standpoint of the policyholder.

J. R. Paisley, Travelers, who has been secretary and treasurer for three years, and G. P. Finnegan, manager Metropolitan Life, were made directors. Dont Hart, Travelers, has been elected secretary and treasurer.

* * *

Minneapolis—Albert W. Atwood, economist and magazine writer, discussed present economic trends at the October meeting.

* * *

North Dakota—Grant Hill, superintendent of agents of the Northwestern Mutual, was the featured speaker at the October meeting. He read from a compiled talk that he gave a year ago containing excerpts from addresses of prominent business men who feared many dire things 50 years ago. Many of the calamities that they predicted were in evidence then as now. At that particular time the president of the Northwestern Mutual viewed with considerable alarm the coming of electricity and the effect it would have on the country.

Then Mr. Hill took up the subject of time control. He stated that territory or climate does not make so much differ-

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ence in the work of a life man as the way he applies himself to his task.

Ray Haberman of Minneapolis, associate manager of the White & Odell agency of the Northwestern National, will speak Nov. 14.

* * *

Springfield, Ill.—At the first fall rally W. F. Sanford, Davenport, Ia., Prudential manager, spoke.

* * *

Miami, Fla.—L. A. Usina, president Florida National Bank, spoke at the monthly luncheon meeting. President W. J. Brown was chairman.

* * *

Salt Lake City—G. A. Marr, local attorney, talked on the importance of national economy and the danger of inflation when governments continue to spend beyond their incomes. He said life insurance policies are as good as government bonds, but that government bonds would not be of great value in the event of inflation.

Waldo M. Anderson, Prudential, reported on the Boston convention.

* * *

Nashville—Howard Cammack, John Hancock general agent at St. Louis, spoke on "Simple Things to Sell." John A. Witherspoon, who had just been appointed general agent for the John Hancock, presided in the absence of Cecil Woods, president of the association. There were 160 present. Announcement was made that H. T. Burnett, the new vice-president and agency head of the Reliance Life, had given a cup to be presented each year to the Nashville agency that had done the best work in the way of production, support to the association, etc. The cup this year was won by E. G. Cullum, manager of Nashville No. 1 branch of the Life & Casualty.

* * *

Cincinnati—Programming and settlement options are the topics to be covered at a seminar sponsored by the Cincinnati association, the first meeting to be held Nov. 4, to continue approximately six weeks. The purpose is to enable a salesman to get a proper picture of the prospect's needs and be able promptly to show him a reasonably good program. The first seminar is open to any association member, but it will be necessary to have a working knowledge of policy contracts.

The seminar will take up study of the four settlement options, case work, settlement option agreements, proper use of settlement options. The equipment needed consists of two rate books, two policy contracts, and a pad of paper.

Meetings will be held Wednesday afternoons from 4 to 5:30 in 1504 Carew Tower. E. W. Simpkinson, Provident Mutual, is chairman of the educational committee which has worked out the plan.

* * *

St. Paul—David McCahan, professor of insurance at the University of Pennsylvania, addressed a large gathering of Twin Cities agents at a luncheon meeting. He pointed out that 22,000,000 citizens do not come under the benefits of the social security act and that because of it they will become more insurance minded. They will want to provide their own unemployment and old age protection, he said, and this presents a virgin field for the life agent.

Dr. McCahan admitted, however, that the federal law may have the result of causing many large companies now carrying group insurance for their employees to modify their contracts or even cancel them entirely.

* * *

Boston—An inspiring talk was given by L. B. ("Pat") Hanley, head football coach at Boston University. Mr. Hanley is of a football family, five brothers being players and four of them coaches. R. E. Hanley, until recently with Northwestern University as coach, now with the Equitable of New York in Chicago, made the Million Dollar Round Table in his first year.

* * *

Hartford—Glenn C. Dorr, general agent Northwestern Mutual, spoke on "Methods of Prospecting." Mr. Dorr described the business methods that he had found most successful.

J. M. Holcombe, Jr., Life Insurance Sales Research Bureau, presented E. G. Anderson, educational director Connecticut Mutual, his C. L. U. diploma.

* * *

Lincoln, Neb.—Fred Archbold, Omaha newspaper advertising executive, said selling is as thrilling as any sport that could be named, and that sales ability has added greatly to make America a pleasant place in which to live. He told

Joseph Futz Seeks Light on Millionaires' Table

EIGHTY-FOUR, PA., Oct. 29.—Joseph Futz, our far-seeing life underwriter, is ever seeking to add renown to this locality. He calls attention to a celebrated organization in his industry known as "Millionaires Around the Table." He is investigating this body, hoping to establish a chapter here. As Mr. Futz understands it those who feel they have the determination and ability to become millionaires gather around a table in a class and receive instruction from a member. He is compensated by these students getting their lives insured. One, Harry T. Wright of the Equitable Life at Chicago has been the head of the order and gives a secret manual to members who conduct the classes. Mr. Futz has written to Mr. Wright to get full information.

During the summer a Chicago life underwriter, Stumes by name, stopped at the filling station here and told George Futz, cousin of Joe, that Mr. Wright did not write all the insurance accredited to him in his writeups himself but had the president and secretary of his company go to Chicago to do the work. Mr. Futz has already appealed to the officials of his company to come here and write a lot of insurance for him.

the agents to make the hardest call of their planned day first and never discuss competition till the prospect mentions it.

* * *

Rhode Island—Glenn B. Dorr, general agent Northwestern Mutual Life, Hartford, spoke at the first fall meeting.

* * *

Wichita Falls, Tex.—W. C. Krauss, district manager Midland Life, has been elected national committeeman.

* * *

Columbus, O.—Nearly 200 attended the annual seminar. Rev. J. Harry Cotton, pastor Broad Street Presbyterian Church, said if he were to leave the ministry he would engage in life insurance, because of the opportunity it offers for service to humanity. He said until recently two-thirds of his income was paid out as life insurance premiums. E. C. Decker presided at the luncheon at which Rev. Mr. Cotton spoke and L. W. Doland was in charge of the sessions of the seminar, when approach, presentation and sale and prospecting through delivery were discussed by H. R. Munsell, S. R. Fraher and V. C. Smith. The session chairmen were J. C. Dexter, Fred A. Brunner and Harry N. Wieting. The association has added 25 members this fall, making 175 members in all.

* * *

Wichita, Kan.—Delbert Roberts of the A. D. Lynn agency of the Massachusetts Mutual spoke on "Planning Your Work and Working Your Plan."

* * *

Kansas—President Riley G. Cunningham, Wichita, made an official visit to the Manhattan association. President Guy L. Byrd, New York Life, presided. President Cunningham expects to visit associations in southeastern Kansas in November, but definite dates have not been arranged.

A meeting of the executive committee was held in Topeka to formulate plans for the year.

* * *

Madison, Wis.—Louis Behr, "millionaire" of the Equitable of New York in Chicago and originator of a unique prospecting system, who was a basketball star at Wisconsin University here some years ago, will speak at a meeting Oct. 30. President R. L. Hesse secured Mr. Behr's acceptance at the Boston convention of the National association. This will be in the nature of a homecoming for Mr. Behr, who, upon graduation from Wisconsin U in 1929 at the age of 23, went to Chicago, going with the Lustgarten agency of the Equitable and becoming immediately successful. Within

four years he was producing over \$1,000,000 of new paid business annually and at the age of 27 became the youngest member of the Million Dollar Round Table of the National association. He earned the title of youngest life member at the age of 29 with three years of consecutive million dollar production, and is leading producer in the United States for the Equitable.

Get **Reducing Your Taxes**, 50-page booklet, 50 cents. Order from National Underwriter.

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

Absolute Ownership Policy Is Issued by New York Life

The New York Life is now issuing a personal absolute ownership policy similar to its corporation form. Under this form all rights of ownership are vested in some individual other than the assured, provided such person has an insurable interest. Policies will be issued on the ordinary life, limited payment and endowment plans and waiver of premium and double indemnity payments may be included.

Under the present rulings of the internal revenue bureau if the assured possesses none of the legal incidents of ownership in the policy at the time of his death, the proceeds payable to designated beneficiaries shall not form a part of the assured's estate for federal tax purposes. The form can be used by the assured's wife, for example, to pay premiums on a policy on her husband's life and to have all rights of ownership thereunder. No rights are reserved by the assured. No change of beneficiary clause is provided because of complications arising under the form of policy. If the owner should die before the assured, the designation of some one else as beneficiary would give him the proceeds payable on the assured's death, but would not transfer to him the ownership of the policy at the owner's death, the title of the policy passing to the estate of the owner. The form in general, is restricted to tax purposes.

NEW YORK NEWS

OCTOBER IS PREPAYMENT MONTH

October is pay-in-advance month at the Knight agency of the Union Central Life in New York City. As usual on prepayment drives, the percentage of checks with application has gone up sharply, indicating that checks can be obtained often merely by asking for them.

Various ingenious methods are being used by the Knight agency to stimulate prepayment. A recent issue of "Knight life" announced "October is pay in advance month. . . An app is only an app . . . sprinkle it with a little settlement and it becomes life insurance . . . exchange is no robbery . . . exchange a binding receipt for immediate coverage . . . money every month means this month as well as next . . . a check in the hand is worth two in the future . . . by all means get his app . . . by some means get his check."

Hubert Davis, agency assistant, is a strong believer in getting a check with the application. He has calculated that the extra time spent in getting a check in advance is worth \$7. He says he has found very few cases where it is really impossible to get an advance settlement if an ordinary amount of resourcefulness is used by the agent. One stratagem when the applicant will not come through with a prepayment is to suggest that he hold the application rather than giving it to the agent so

that the latter would not have the responsibility of taking an application without a check.

Then, the agent says on second thought it would be better to tear application up and write another later. When the applicant wants to know why, the agent says, "If anything should happen to you, it would be right if your wife found the application but suppose one of your in-laws had it?"

* * *

NEW YORK SALES OFF

The New York City Life Underwriters Association has announced that estimate of total sales of life insurance in New York City for September \$44,994,000 as against \$45,290,000 last September.

AGENCY NEWS

Training School at Richmond

E. Paul Huttinger, agency secretary and director of training of the Piedmont Mutual, assisted by G. D. Davis and F. E. Herb of the home office agency department, conducted a two-day training school for members of the G. D. Diggs agency at Richmond, Va. Topics discussed were "Uses of Policy Options," "Income Insurance," "Your Insurance Program," "Business Insurance," "Retirement Income," and "Wills and Trusts."

Opens Football Campaign

To inaugurate its 13th annual football campaign, a promotion it originated the A. M. Embury agency of the Equitable of New York in Kansas City held a football rally. Eleven men in white headgear and sweaters, and a man in silk top hat to "represent" the governor of the state, appeared on the program and gave the agents "pep" talk. Similar meetings were held by Embury units in Wichita and St. Joseph.

Braunig Expands Office

Due to its substantial growth, the St. Louis agency of the Lincoln National Life under General Agent J. S. Braunig is now enlarging its office space at 506 Olive street. This is the second time since Mr. Braunig assumed the leadership of the agency in 1930 that such a move has been necessary. In 1933 the agency's paid business was nearly four times the amount paid for during the last six months of 1932. Agency growth continued with an increase of 66 percent for 1934 over 1933 and 9 percent for 1935 over 1934. This year the agency continues to raise its paid business volume. Since 1932 there has been a 150 percent growth in the number of its full time agents.

Celebrate Completion of Quota

In celebration of having completed their quota of written business for October, "President's Month," in advance of schedule, personal producers of the General American Life agency in San Francisco were dinner guests of their general agent, B. F. Mitchell. More than 30 attended, including producers and their wives. Mr. Mitchell announced his agency will make a concerted effort to better its "President's Month" quota by at least 25 percent.

Mayor Wilson's Tax Threat

PHILADELPHIA, Oct. 29.—Addressing the convention of the Pennsylvania Real Estate Association this morning, Mayor Wilson of Philadelphia said he would put through a four mill tax on mutual savings banks and insurance companies. He declared the tax would raise \$7,000,000. "Opponents say it'll only raise five million," he said. "If they're right, then I'll raise the tax to six mills and that'll give us the seven million."

Hold Long Hearing on Pacific Mutual

(CONTINUED FROM PAGE 4)

the set up as filed with the court, Commissioner Carpenter said that he considered the Occidental Life's accident department insolvent before it starts, because of no surplus. The Occidental Life, he declared, offers less to non-can policyholders than does his plan.

Mr. Carpenter, in brief, testified that in providing for restorations of benefits to non-can policyholders his plan contemplated a cushion fund sufficient to insure fulfillment of the schedule; that his plan as is, or in amended form, must be approved or he would be forced under California law to apply for liquidation of the Pacific Mutual.

Agents' Commission Point

He said he changed his policy regarding renewal commission to agents on the non-can business to retain their services, an asset he set at \$5,000,000. He sought reinsurance but was rejected by nine large companies. Mr. Carpenter expressed belief the price offered by the Giannini group was inadequate and said he doubted that group's ability to fulfill the promises unless the proposal were changed.

Another intervention petition was filed by Attorney H. K. McKeivitt of San Francisco, on behalf of himself and a group of noncancellable policyholders.

Mr. Merrick sought unsuccessfully to have Mr. Carpenter fix a value on the old company. Mr. Carpenter said in his opinion the Giannini group's actual offer totaled \$10,568,000.

David Rubin called attention to the International Life, Missouri State Life and 13 other companies operated by holding companies which failed.

Commissioner Carpenter's rehabilitation proposal would protect the rights of life policyholders against liens in case there should be liquidation proceedings later on, he testified under cross-examination. He brought out that while non-participating policyholders would be barred from starting mutualization proceedings, they would be entitled to take part in the final voting on such a proposal.

Licensed in 34 States

Commissioner Carpenter said that in setting up the new Pacific Mutual an effort was made to prove to policyholders that their interests were secure. The new company now is licensed in 34 states. He said that the actuarial figures show that the non-can benefits at the end of 1937 should be from 53.57 percent to 95.46 percent according to years, with practically full restoration at the end of 15 years. Under the management of President A. N. Kemp there has been a saving of \$500,000 in expenses since November last year.

On being questioned, Commissioner Carpenter denied that he had made an agreement with general agents to increase their commissions to 75 percent. He said the matter was open and had been discussed. Commissioner Carpenter further testified that there was a limitation on the directors through the supervisory power of the state. Should the directors fail to transfer funds for the benefit of the non-can policyholders in a sum deemed adequate by the conservator, he said, he had the power to force the board to take required action. On question of mutualization he said that his plan goes further than the insurance code as it provides that 10 percent of the policyholders can secure mutualization whereas the code leaves the decision to the discretion of the directors.

Mr. Carpenter deplored any thought of liquidation, pointing out that the new company has been granted certificates of authority in 34 states, all issued strictly by reason of the new plan meeting all legal requirements and not because of the special considerations in-

involved. Further efforts were made to have acts of the present and former Pacific Mutual officials, this time dealing with employment of counsel, read into the record, but Judge Willis ruled adversely.

Commissioner Carpenter testified he would not approve the transferring of assets from the life department to the accident department, and he protested against the percentage of profit to go to the non-can policyholders being increased from 10 to 20, as well as against exchanging assets between the life and accident departments and the setting up of old and new participating departments.

Attorney Henry Bottenheim, who is author of one of the rehabilitation plans, tried to get into the records the supplemental report of the examination of the Pacific Mutual that brought about the present proceedings. It contains confidential information on which the six insurance commissioners acted. Judge Willis refused to admit the report.

It was also shown that Commissioner Boney of North Carolina filed a letter with the court endorsing the Giannini proposal on the basis of \$12,000,000 being contributed to the company and the life business assets being regarded as open to the claims of all parties.

General Agents Approve

General agents from eight states prefer Commissioner Carpenter's plan to that of the Occidental Life, the commissioner claims. He said under the Occidental Life, \$1,000,000 is available for non-can benefits, \$100,000 of it immediately. He said that 30 percent of the non-can policyholders also are life policyholders. He said that he had discussed President L. M. Giannini's plan with him for over a week. Attorney Lee, who was representing Chicago non-can policyholders, was told by the court that a motion to dismiss Commissioner Carpenter as conservator would not be entertained. The court reprimanded Attorney Lee rather severely for his bringing in extraneous matters when the latter declared that something unsavory was being concealed.

Judge Willis read into the record statements relative to the court's powers in the case, explaining he was not sitting as a judge in equity nor as a court of law, but only pro forma as the superior judge, and therefore had no power except that conferred by the insurance code, to approve or disapprove the Carpenter plan or some modification of it or substitute. He said the law covering the action is so new that he will have to interpret it.

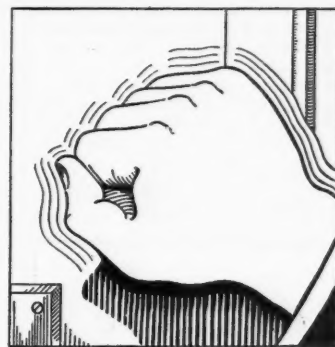
The suggestions of intervening attorneys that the court had power now to control and direct who should manage the new company, Judge Willis said if adopted "would imply or include the continuing power of this court over who shall manage that company for the next 15 or 20 years."

Ohio Commissioner's Advice

R. L. Bowen, Ohio insurance superintendent, who was in the life insurance business himself before taking his official position, advises the Pacific Mutual Life policyholders not to lapse their insurance. Mr. Smith feels that their interests are being well taken care of. Superintendent Bowen says:

"As one of the 32 state supervising officials who approved the plan, I recommend that policyholders in this company continue their insurance in force. The necessity for the reorganization of this company came about by reason of a deficiency of reserves covering the non-cancellable accident and sickness insurance. The depression, which caused a large number of physical breakdowns, is partly responsible for the situation. It is my sincere hope that the holders of these non-cancellable contracts continue their policies in force. It so happens that I have been protected under one of these policies for a number of years and will continue to keep this contract in force. For an equal premium, even with the reduced benefits, a non-cancellable policy of the kind issued by

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New Security Mutual Life term policies for 5, 10, 15, and 20 years offer an ideal method of providing family maintenance insurance at minimum rates. Premium waiver and accidental death benefits at slight additional cost. It will pay you to investigate these new insurance opportunities.

Ask about the new Retirement Income at

55—a real insurance investment.

**Security Mutual Life
Insurance Company**

BINGHAMTON, N.Y.

this company cannot be purchased. It would be very inadvisable to lapse these policies. It should be remembered that all of the profits from the non-participating life business and from the commercial accident and health business of the company and 10 percent of the profits from the participating life insurance policies will be used to restore the benefits under these policies. Some authorities estimate they will be fully restored within five to ten years.

"No good purpose can be served by any policyholder contributing to any

person or organization to act for him. Your interests are being considered and only confusion can result from further so-called 'protective committees,' etc. Every insurance supervising official in the United States is interested in arriving at the best possible solution for the protection of all policyholders in this company. The old management has been replaced by very capable men. The commissioner of insurance of California, S. L. Carpenter, is a man of outstanding ability and integrity. He has filed a \$511,650 suit for misuse of Pacific Mutual funds against eight of the former officers of the original Pacific Mutual Life."

Cancer Diagnosis Often Inaccurate

(CONTINUED FROM PAGE 4)

to a questionnaire only one company did not accept cases with this type of history. Of the other 36, 25 followed a standard set of ratings. Of the remaining 11 that did not follow these suggested ratings 5 used generally lighter ratings, 3 heavier ratings, and 3 used lighter ratings in the older age groups and heavier ratings at the younger ages. However, there were 25 which replied that these cases were treated more liberally than they were ten years ago.

"This liberalization was based on mortality investigations in only three instances," said Dr. Homans. "The material available to me for mortality investigations of this impairment was not sufficient to be of value but your program committee felt that since such a large number of medical directors had become more liberal in underwriting this impairment in the past 10 years it might be well to discuss some of the factors that have prompted this underwriting optimism."

Effectiveness of Modern Methods

The effectiveness of modern methods of treatment appeared to be mainly responsible for this changed outlook. There are now fewer cases requiring readmission to sanatoriums and since it is a recurrence of tuberculosis that is particularly to be feared in this supposedly recovered group Dr. Homans expressed the opinion that there is some ground for optimism on this score.

"In those cases which do recur modern management, particularly the use of collapse therapy, has markedly improved the early prognosis," he said, "and while it has not been used long enough or in sufficient number to be certain, there appears to be a corresponding improvement in the ultimate prognosis. Practically all medical directors stated that they are now able to obtain more information regarding each individual case and that x-rays had been of particular help. With the development and popularization of sanatorium care, the excellent educational program instituted by the National Tuberculosis Association and the more frequent use of the x-ray diagnosis and follow-up examinations, we can obtain a much more satisfactory clinical history of the illness."

Suggests Tuberculosis Study

Dr. Homans suggested an investigation into the effect of the extent of lesions and the presence or absence of tubercle bacilli in the sputum to determine their effect on the outlook of cases. This would aid in satisfactorily determining whether the present day optimism is justified, he said.

The excessive caution which has been practiced in the past in the underwriting of exceptionally tall men is largely unwarranted, according to a paper presented by Dr. Louis I. Dublin, third vice-president and statistician Metropolitan Life; Dr. Charles L. Christiernin, medical director, and Herbert H. Marks, both also of the Metropolitan. Not only are exceptionally tall men definitely insurable risks, but most of them are acceptable for standard insurance, the authors hold. Little more care is needed in their selection than in the selection

of moderately tall men. Up to 6 feet 3 inches certainly, and perhaps two or three inches above that height, the great majority of these cases are physically normal persons, the authors pointed out. They merely represent the upper limit of height distribution. The cause of their excessive height is likely to be pathological only in a few instances, although at the tallest heights some care is necessary as there is a possibility of pathological signs.

Officers for Coming Year

Others who contributed to the programs were listed in last week's issue of THE NATIONAL UNDERWRITER.

Besides Dr. Brown, officers for the coming year include Drs. S. B. Scholz, Jr., Penn Mutual Life, first vice-president; Henry W. Cook, Northwestern National, second vice-president; E. G. Dewis, Prudential, secretary; A. O. Jimenis, Metropolitan, treasurer, and H. M. Frost, New England Mutual, editor of proceedings.

Yield Down, Must Save Elsewhere

(CONTINUED FROM PAGE 1)

which provision was not made in the premium calculations.

Disability, he declared, is one of the best examples of "misplaced confidence in the self-sufficiency of the so-called extra benefits."

Too much emphasis was placed upon the disability feature in the sale of the contract with the result that the primary purpose of insurance was forgotten and the policy was sold principally for the disability benefit with the life insurance thrown in. On the basis on which disability is now written, there is reasonable assurance that disability coverage is being sold so as to eliminate future losses in surplus.

Burden of Investing Funds

There has been a tendency to sell too much annuity business for some purpose other than the primary one to provide a retirement income, he declared. Annuity contracts, in combination with single premium life and endowment policies, have been frequently sold with the sole purpose of placing upon the company the burden of investing funds. In spite of restrictions such as increased rates, reduced cash values and elimination of the privilege of placing the surrender values under the options of settlement, there is still a considerable volume of investment policies being sold. On these policies the companies on the basis of the present low interest rates have little or no chance to make a profit. Unless costs on these policies are carefully allocated, companies may find that they are being issued at the expense of other types of contract on which the companies have a chance of making a profit from mortality.

The sale of the contract should be restricted to its primary purpose of providing for old age, he declared.

The contract cannot be eliminated because of the effect upon the agency force.

There is no question, according to Mr. McCankie, of the desirability of including settlement options in the policy contract. They have played an important part in building the business and have made it possible to conserve insurance proceeds. However, extra contractual benefits permitted by the companies have encouraged abuse of these options

which if not curtailed will continue to grow and be a source of unwarranted expense, Mr. McCankie asserted.

There is no loading in the premium calculations for overhead cost in administering options of settlement, but in the past when interest rates were high there was always a margin between the rate of interest allowed and the market rate. That situation does not hold today and the returns now being allowed under settlement options are a source of expense. This is true without any allowance for the overhead required for administration. "Hence," he concluded, "we should take steps to see that these obligations are not abused."

The company should not be providing legal talent to prepare wills for the benefit of the third and possibly the fourth generation. Highly trained and substantially paid employees frequently spend hours in drawing a direction for settlement to meet the whims of an individual and then, on the suggestion of the first agent, complete revision is requested.

There is a danger that these complicated settlements may be subject to attack after the death of the insured. Federal and state laws are constantly being revised and there are different limits in many states as to the exemption of life insurance proceeds. It is possible that many of these complicated directions for settlement will result in court action and even though the provisions are upheld, the company may be subjected to legal expenses where it is merely cited as an innocent third party to appear in court proceedings.

Pressure Hard to Resist

It is not easy to keep the settlement directions in simple form, because of the pressure brought by agents and policyholders.

If the settlement options are not standardized and simplified by the companies, then it is fair that a charge be imposed.

Mr. McCankie suggested the companies may have gone too far in making it easy for the policyholder to pay his premiums. Liberal extension of time for payment has been made available with the result that many have gotten out of the habit of paying their premiums in cash on the due date and have become chronic extenders. These extensions are expensive. Mr. McCankie expressed the belief that the companies should be less liberal in this regard. The insurer is not doing the policyholder a service, he contended, if it makes it too easy for him to continue his contract without payment of some actual cash.

Question of Monthly Premiums

Monthly premium insurance has increased in popularity and for many it is the ideal way of making payments, but, according to Mr. McCankie, the minimum premium must be large enough to enable the company to meet the additional expense and must be on such a basis that the agent will not be spending time making monthly collections which should be spent in writing new business.

The companies, he declared, must not become too paternalistic. An exaggerated paternalism is certain to become expensive and will favor the careless and improvident policyholder at the expense of the thrifty and careful one.

"Let us, therefore," he concluded, "get back to fundamentals and the benefits which we offer the life insurance public and let us administer these benefits in such a way that we will accomplish the greatest good to the greatest number."

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Write, F. C. Crocker, Agency Supervisor

THE FARMERS UNION LIFE INSURANCE CO.

504 1/2 Grand Avenue, Des Moines, Iowa

A. L. C. Committee Divided in Disability Clause Study

(CONTINUED FROM PAGE 8)

lifetime of assured, during continuance of disability, not later than 12 months after commencement of disability; monthly income normally paid six months after commencement of disability but proof to be given within three months of notice of claim; neither monthly income payments nor waiver of premium made retroactive to date of commencement of disability; if assured recovers before 150 payments have been made and later becomes disabled again, disability must be continuous for a further six months before payments are resumed; disability coverage ceases at age 55 for men and 50 for women; inclusion of pro-rating clause is optional.

Important Underwriting Rules

Some of the underwriting rules suggested by Mr. Smith which the three committee members favoring the revised disability income clause emphasized are:

(1) Age limit—The monthly income benefit is only issued to males between ages 18 and 50 and females between ages 20 and 45; waiver of premium benefits to be issued down to age 15 for males and age 18 for females.

(2) Non-medical—Applications will be considered non-medically for males under age 45 for amount of \$25 a month up to and including \$50 a month; in all other cases full medical examination is required.

(3) Women—A total disability benefit will be issued only to self-supporting single women or widows in carefully selected cases, the premium charge being double that for males.

Maximum Amounts Set

(4) Maximum amount—The maximum income benefit granted is: (a) Male lives, \$100 per month in all companies or an amount including premium waived not greater than one-half average income earned during three years preceding date of application, whichever is smaller. (b) Female lives, \$100 per month in all companies or 25 percent of average income earned, etc.; these limits reduced where income is subject to fluctuation or there is relatively large earned income.

(5) Risks sub-standard for life insurance—Income disability benefit not granted in any case on which extra premium or lien has been charged for life insurance with exception rated for overweight or occupation; waiver of premium, however, may be granted in certain of these cases at an extra premium.

Occupational Limitations

(6) Occupation—(a) Unskilled workmen and laborers—men following occupations where no special training is required are not accepted for monthly income disability benefits except in special cases; (b) farmers—farmers owning their own farms will be accepted at one and one-half times the usual rate with maximum limit \$50 per month; farmers operating small farms and presumably in receipt of small income, will not be accepted for more than \$25 of income disability benefit. Pro-rating clause will be changed to provide for limit in all companies of \$100 a month. Income disability will not be issued to farm laborers. (b) Women—Very careful selection exercised in certain occupations such as school teachers and nurses.

(7) Inspections—Inspection reports obtained in all cases and in addition careful supervision maintained over all claims including as an essential part inspection by head office officials at regular intervals of all cases where disability payments are being made.

The three approving committeemen recommended in this connection that a well organized claim department with competent trained investigators must be maintained properly to settle these disability claims; the problem is very different and much more difficult than set-

tlement of death claims. Lack of such an organized claim department, it was said, has been one cause of costly experience by life companies.

It was emphasized that the Canadian companies use a clause providing for indemnity against "the total loss of earned income," whereas in the United States there are many statutes requiring use of the words "total and permanent disability," and this will have to be corrected before such a clause can be issued in this country. The committee feels this difficulty is not so great that it cannot be overcome.

Court Curbs Life Extension's Field

(CONTINUED FROM PAGE 1)

companies have an arrangement whereby policyholders having above a certain minimum amount of insurance may have free periodic examinations by the institute. J. Victor Barry, for many years an executive of the Metropolitan Life, is an official of the Life Extension Institute and Dr. L. G. Sykes was until recently medical director of the institute. He has resigned his connection in line with the new arrangement. Dr. Sykes was medical director of the Connecticut General Life from 1924 to 1932.

Solid Program for Life Advertisers Association

(CONTINUED FROM PAGE 1)

For the first time exhibits will be judged on the basis of the size of the companies responsible for their production. The displays will be arranged by three groups. Trophies will be awarded to the sweepstakes winners in each group.

Judging of exhibits will be by a committee of Chicago experts, under the general direction of the Henri, Hurst & McDonald advertising agency.

Steinbock Heads Merged Unit

H. E. Steinbock, Cincinnati, has been appointed manager of the new benefit division of Union Central Life. This division has been formed through the merger of the disability and income division and the claims division and will perform the functions formerly handled in them.

Mr. Steinbock has been with Union Central since 1906. During his 30 years he has served in the policy loan, correspondence and claims divisions. He has been assistant manager of the latter since 1928.

Williamson Leaves Travelers

HARTFORD, Oct. 29.—W. R. Williamson, with the Travelers for more than 25 years, has resigned to serve on the National Social Security Board in Washington.

Mr. Williamson is now consulting actuary to the board. He aided in drawing up the social security plan. Although his resignation has become effective recently, he has been in Washington for some time.

Mr. Williamson joined the Travelers shortly after his graduation from Wesleyan in 1909. He has always been actively interested in social security.

Hartford Trust Council Meets

At the first meeting of the Hartford Life Insurance & Trust Council, formed last spring by life underwriters and trust men to further cooperation between the two groups in the establishment of estates, B. C. Collins, assistant vice-president Old Colony Trust Company, Boston, spoke on "Why Life Insurance and Trust Councils." W. C. Fenniman, Phoenix State Bank & Trust Company, president of the council, introduced the speaker.

"It Steps Agents Up"

—writes L. G. Wood, Jr., of Navasota. "I don't see how an agent can fail to reach his quota when he knows that not only he, but his clients as well, knows what that quota is. Southland Life's advertising for agents reminds the agent and reminds his clients that he has a quota to make every month."

For further information regarding this plan write First Vice-President Clarence E. Linz, or Col. Wm. E. Talbot, Vice President and Agency Manager.

Southland Life Insurance Company

Harry L. Seay, President

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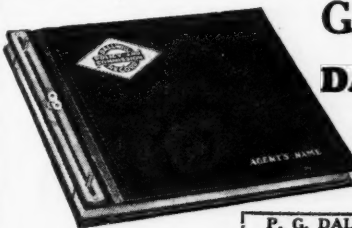
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Complete with Engraved Record Sheets, Special Index, and Special BINDER with your own name in gold on the front cover.

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LEGAL RESERVE FRATERNALS

Heart Diseases in Increase

Medical Director Ahlefeld of Security Benefit Finds Electrocardiogram Great Diagnosis Aid

Heart disease beats all causes of death, outranking its nearest competitor, cancer, by two and one-half times, Medical Director C. B. Ahlefeld of the Security Benefit of Kansas stated in a paper on "Coronary Sclerosis and Thrombosis," read at the annual meeting of the medical section of the National Fraternal Congress held in New York City.

"Deaths due to infectious diseases have been greatly reduced," Dr. Ahlefeld said, "and life now extends to the age when degenerative disorders of senescence sound the final call. Degeneration is the price of old age, and man seems to prefer to pay that price as late as possible." He said herein lies the importance of arterio-sclerotic heart disease. In many cases it is almost impossible to differentiate between changes in arterial walls that are physiological—due to ageing tissues—and those that are pathological. The major obstacle in trying to determine cause of the increase of coronary heart disease is that knowledge of the cause of arteriosclerosis is speculative. Factors are stresses, strains, excitements, anxieties of the modern age, as well as natural tissue changes.

Business Life More Strenuous

Dr. Ahlefeld said statistics indicate stresses and strains incident to business and professional life play a more important part in coronary disease than do stresses and strains of the laborer's life, who perhaps due to temperamental and environmental differences, reacts in a manner less detrimental to his arteries. Angina pectoris and coronary throm-

bosis frequently are confused, among medical men as well as laymen, Dr. Ahlefeld said. The electrocardiogram taken following acute coronary occlusion, he said, has been of more assistance in diagnosing this condition than almost any other cardiac lesion.

Mortality tables gleaned from many large groups of cases, Dr. Ahlefeld said, permit a slightly more optimistic attitude toward coronary thrombosis than is generally held. While the cardiac death rate is high, many survivors demonstrate the heart often is capable of making remarkable recovery. Also, while a recent compilation indicated 91 percent of sudden deaths from natural causes were due to diseases of the cardio-vascular system this increase may be more apparent than real due to changes in terminology and greater familiarity with cardiac pathology.

Miss Eakin Is New Head of Hawkeye State Congress

Miss Blanche Eakin of the Woodmen Circle, Des Moines, was elected president of the Hawkeye State Fraternal Congress at the annual meeting in Des Moines, 75 delegates attending. The congress is composed of 26 fraternal.

Miss Eakin succeeds W. E. Solomon of Des Moines.

Other officers elected are: First vice-president, J. V. Rompotl, Cedar Rapids; second vice-president, D. J. Shaw, Des Moines, and secretary-treasurer, C. J. Graves, Des Moines, reelected. Mr. Solomon, Fred Walton and J. C. Hazel, all of Des Moines, and Walter Voecks, Waverly, were elected on the executive committee.

The officers were installed by Mrs. Dora Alexander Talley of Omaha, vice-president National Fraternal Congress and president Woodmen Circle. J. E.

Rodgers, Cedar Rapids, chairman legislative committee, spoke for continued cooperation to prevent taxation of fraternal.

Swanger Taken by Death

John E. Swanger, superintendent of the Modern Woodmen's tuberculosis sanatorium in Woodmen, Col., for the last 20 years, died at Rochester, Minn. He had been ill for a long time with heart disease. Mr. Swanger formerly was secretary of state in Missouri during Governor Hadley's administration and declared his candidacy for Republican nomination for governor in 1912 and 1916 only to withdraw. He was born at Milan, Mo., in 1864, later owned and edited the Milan "Republican," and then was a representative in the Missouri assembly.

To Celebrate 54th Year

A 54th anniversary campaign will be conducted in January by the Modern Woodmen. The order was formed Jan. 5, 1883. There will be national observance of the anniversary at the head office in Rock Island, Ill., and many camps will hold homecoming celebrations.

Illinois Handbook Published

Increase in Agents Licenses, Mutuals Operating in State Shown in 1936 Edition

The Underwriters Handbook of Illinois, published by THE NATIONAL UNDERWRITER, which has just come from the press, is a most complete publication giving the picture of insurance in Illinois.

For 1936, 32,052 agents licenses were issued for fire and casualty companies, compared with 31,221 for 1935. Stock fire licenses for 1936 were 19,637 compared with 19,812 in the previous year. There were 1,250 mutual fire companies licensed, compared with 893; the stock casualty were 8,656 compared with 8,248 and the mutual casualty 2,509 compared with 2,268. While the hand-book gives the complete list of life insurance agents in the state, data is not available at this time as to the number of licenses received but it is safe to estimate that there is a decline in the number of licenses due to the drive to cut out the number of part-timers, a tendency noted in the publication of other National Underwriter hand-books.

Of the premiums, \$41,285,439 was fire or windstorm business, \$7,251,962 automobile, and the balance of \$4,859,220 miscellaneous lines.

The casualty business likewise showed a large increase, premiums jumping from \$61,324,862 in 1934 to \$67,392,683 in 1936; losses showing only very slight increase from \$28,716,124 to \$28,985,643. Life insurance in force in the state now totals \$8,121,848,118, a slight increase from the previous year's total of \$7,902,117,894.

This new handbook gives the complete list of insurance agents licensed to operate in Illinois, together with the companies which they represent.

All branches are covered, fire, casualty and life. Also given is a complete list of companies transacting business in the state, together with their field men and, for cross reference purposes, a list of field men, general agents and managers is arranged alphabetically. Separate lists are given on the attorneys, adjusters, hotels and other miscellaneous information of value to insurance man.

All in all, the Underwriters Handbook of Illinois is most complete and up-to-date and of great interest to insurance men in the state.

Its companion publication, the Underwriters Handbook of Chicago, gives complete information on Chicago and Cook County, the Illinois Handbook being devoted to the remainder of the state although some information is given regarding Chicago. Both of these books are published by THE NATIONAL UNDERWRITER.

CHICAGO NEWS

INSURANCE STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade building, Chicago, gives the following quotations on the stock of life companies:

	Par	Div.	Bid	Asked
Aetna Life	10	1.60	29 1/4	30 1/4
Bank. Nat. Life	10	1.00	23	24
Build. Life, Ill.	1	...	1	2
Central Life, Ill.	10	...	3	...
Cent. States Life	5	...	3	...
Columbian Nat.	100	4.00	80	80
Conn. Gen. Life	10	.80	35	37
Cont. Assurance	10	2.00	38	40
Farm. & Traders	100	12.00	210	225
Fed. Life, Chgo.	10	...	8	...
Girard Life	10	.40	10 1/2	12 1/2
Great Nor. Life	10	...	32	32
Great South. Life	10	2.50	32	32
Life & Cas., Tenn.	2	...	16	18
Life of Va.	20	3.00	75	85
Lincoln National	10	1.20	26 1/2	27 1/2
Natl. Life & Ac.	10	1.60	65	75
New World	10	.40	6 1/2	7 1/2
Northw. National	5	...	15 1/2	17
North Amer.	2	...	2 1/2	3 1/2
Ohio National	10	1.00	20	24
Ohio State Life	100	10.00	225	24
Old Line Life	10	.60	16	17
Pacific Mutual	1	...	3	4
Peoples Life, Ind.	10	.60	15	23
Philadelphia Life	10	...	3 1/2	4 1/2
Prov. Life, N. D.	10	.80	12	...
Rockford Life	10	...	4	...
Sun Life, Can.	100	...	545	565
Travelers	100	16.00	520	530
Union Central	20	1.20	35	45
Wisconsin Natl.	10	.50	16	18

JUDD ACACIA MUTUAL SPEAKER

Robert A. Judd, Chicago manager of the Phoenix Mutual, spoke before the Producers Club of the Chicago branch of the Acacia Mutual.

C. W. Noble, superintendent of agents of the Mutual Trust of Chicago, will address the Acacia agents Oct. 24.

Commissioners' Meeting Plans

Jess G. Read, secretary National Association of Insurance Commissioners, announces that J. J. Magrath of the New York insurance department, 80 Centre street, New York City, will be in charge of transportation arrangements for those who plan to attend the meeting at the Arlington Hotel, Hot Springs, Ark., Dec. 7-9.

Persons traveling from New York may use alternative routes via St. Louis or Memphis. The group traveling by way of St. Louis will leave New York Dec. 5, and arrive at Hot Springs at 9:50 the morning of Dec. 7. There will be a layover of 5 1/2 hours in St. Louis, Sunday evening. The train for Memphis will leave at 12:40 the morning of Dec. 6 and arrive at Hot Springs shortly after noon Dec. 7.

FORTIETH ANNIVERSARY

● Backed by forty years of service and progress and facing another era of achievement.

SUPREME FOREST WOODMEN CIRCLE

Omaha, Nebr.

A legal reserve, fraternal benefit society which insures women and children

Dora Alexander Talley
National President

Mamie E. Long
National Secretary

Fifty-three Years of Service

In January 1883, twenty-one men formed an association under the name of MODERN WOODMEN of AMERICA for social and fraternal co-operation and the payment of mutual life benefits. From these twenty-one the membership has embraced millions of the better citizens of the UNITED STATES and CANADA.

SELECTED MEMBERSHIP

The members of MODERN WOODMEN of AMERICA are carefully selected. Every beneficial member must be a white citizen of good repute and must pass a satisfactory physical examination. Those who live in a territory that has been demonstrated beyond all doubt to be unhealthful and those who engage in extra hazardous occupations are not eligible for membership.

FORMS OF INSURANCE

MODERN WOODMEN of AMERICA, realizing the complexity of financial problems that face the average person, offers its members a wide choice of modern life insurance contracts. In developing new forms of contracts it has taken into consideration the social security of AMERICA and the needs of the AMERICAN people. With this thought in mind the society brings to a select group of people safe and economical life protection.

MODERN WOODMEN of AMERICA

Home office—Rock Island, Ill.

LEGAL RESERVE LIFE INSURANCE

SALES IDEAS AND SUGGESTIONS

"Full Speed Run" Urged on Agents to Prove Abilities

Borrowing a navy term, Arthur V. Youngman, sales promotion manager of De Long agency Mutual Benefit Life, New York City, urged members of the New York City Life Underwriters Association to make a "full speed run" from now until the end of the year to prove that it is entirely possible for an agent to earn from \$1.50 to \$2.50 for every \$1 he is earning now. Mr. Youngman gave the formula by which members of his own unit and he personally had accomplished these results.

A unit of 13 men at the beginning of 1934, two men dropped out of the business, six increased their earnings by 131 percent over the previous year and five showed an increase of 184 percent.

"Quota Busting," Mr. Youngman's subject, is not a matter of wishful thinking or even of ambition, he said, but it is rather a matter of breaking the quota down into each individual working day and then seeing if it is possible to beat the quota working on one's known standard of performance. There is no sense in setting too high a quota, he pointed out.

Sales Ratios Must Be Known by Agent

Every agent should know his ratio of calls to contacts; contacts to selling interviews; and selling interviews to paid applications, Mr. Youngman said. For those who have not kept these records for themselves he suggested that average figures of two, three and eight, respectively, be used for these ratios. For example, an agent who wanted to earn \$600 between now and the end of the year, and whose average commission per thousand is \$12, would have to pay for \$50,000. Assuming his average paid case for the year to date is \$5,000, he would have to pay for 10 cases.

Using the suggested ratios, these 10 cases would need 80 selling interviews, which in turn would call for 240 contacts, which would mean 480 calls. In the 43 working days remaining, each day must produce on the average 11 calls, six contacts and two selling interviews.

To get more contacts from a given number of calls Mr. Youngman suggested the following:

1. Make a lot of telephone appointments. Never call a second time without a phone appointment.
2. Go after prospects that are not merely names, but to whom you have a card or letter of introduction or some form of third person reference so that the prospect will not refuse to see you

Territory Organization Is Found to Save Much Time

J. W. Fowler of the Van Vliet & Keer agency of the Prudential in Newark operates in several communities in northern New Jersey and believes in losing a minimum of time between calls. To accomplish this objective he has recently inaugurated a system of listing his prospects and policyholders by towns and localities. When making a call in a certain town, he looks over his list of prospects listed under this town and decides what other calls to make while in the neighborhood. He finds he can see more people in a shorter time with consequent better results.

because he does not know who you are.

3. Get more information about prospects. Find out when they are in the office or can be seen to best advantage. For example, salesmen are usually out of their offices between 10 and 12 and between two and four.

4. Have a luncheon date every day. This means that you will have at least one contact previously arranged.

5. Use direct mail to establish yourself as an identity worth while talking to, to introduce yourself to new prospects or to keep old ones reminded of you.

To get a more favorable ratio of interviews to contacts:

1. Use organized sales talks, so that you will be lined up to make a selling interview and not a social call.
2. Have an entree of the type that will permit you to attempt a sale.
3. Use direct mail to instill an idea

that will be of interest and that the prospect will want to hear about when you call.

4. Specialize in a certain type of need so that you can make a thoroughgoing sales interview.

For a higher ratio of paid sales to interviews, Mr. Youngman recommended the following:

1. Organize your organized sales talks so that you have at least five different closing points. Before each interview decide which five you will use and then don't leave until you have tried them all.

Use of Motivation Is Termed Important Factor

2. Use motivation, human interest stories as closing points. Remember that although men may decide the merits on logic, that they buy on emotion.

3. Get prepayments. Then, when you get an application you know you have got a paid case.

4. Get off the china egg nest and get a lot of new prospects.

5. Talk to your kind of prospects, the fellow who has the same kind of problems that you have. The man who sees life through your eyes is the one with whom you can be most effective.

Prospecting Pointers and Interview Suggestions

There are three fundamental principles of prospecting or "keys" which unlock the underwriter's "personal house of protection," Paul Webber, associate San Francisco general agent H. F. Sleeper agency Lincoln National Life, told the San Francisco Life Underwriters Association.

These "keys" which unlock the prospecting problem or "house of protection" are: (1) Ask, (2) listen, and (3) look, he said, pointing out that success comes inevitably and solely through other people. "Why not start from where you are now; that is, in the midst of a group of individuals comprising your friends, your acquaintances, your relatives, and your policyowners, and also the men you failed to sell? Ask all of them for the names of people who are their natural contacts." An agent shouldn't ask for prospects but inquire about the people with whom the source associates, both socially and in business.

Check List of Business Associates

A successful "asking idea" is to acquire a list of members of the same business or profession or large fraternal groups. "Pick a list," Mr. Sleeper said, "and go to your center of influence, whether he be a doctor, dentist, lawyer, architect or sales manager. Lay the list down before him and go over each name, one by one. The doctor will point out the names of several doctors with whom he attended school. The sales manager may belong to a noon-day luncheon club; the architect to another association. Good prospecting is good asking," he said.

Listening means hearing news which indicates insurance situations. "A wide-awake agent acquires a sixth sense that makes it second nature for him to have a nose for prospects. Intuitively he listens and through listening recognized the opportunity for a sale. Sensing a prospect through listening is an easily acquired habit. Train yourself to recognize insurance situations from information which you overhear."

"Looking" is one of the most neglected keys of all, said Mr. Webber. "How many of you look at the photostatic copy

of the medical blank attached to the policy before you deliver the policy? Do you look at the questions on family history? How many brothers and sisters has your new policyholder? When you ascertain this, do you find out if these brothers and sisters are married and do you seek an introduction to them? Do you look for and begin an endless chain? Do you look at the references given you by your applicant after you have asked for them?"

Four Steps in Interview Outlined by Van Stralen

In his discussion of "The Interview and Closing," F. J. Van Stralen, San Francisco manager of the Massachusetts Mutual Life, pointed out that too often the underwriter fails to do the obvious thing that he knows should be done. He divided the sales interview into what he termed "phases": (1) Selling the interview; (2) fixing the problem; (3) presenting the solution, and (4) closing, pointing out that many underwriters are weak in selling the interview. There should, he said, be a simple preparatory opening followed by the introduction of a new and powerful idea. He urged them to "definitely plan your opening remarks so that you can continue to the next step and fix the problem." This problem should be brought definitely to the attention of the prospect as a personal need and not as merely a general need. If it is presented merely as a general need, the prospect does not recognize it as his problem and one that he alone should shoulder. He urged the use of visual sales proof, charts, graphs, data showing the value of college training, quotations from outstandingly successful persons and similar matter.

Present Solution Simply, But With Enthusiasm

In presenting the solution, he urged the underwriters to be simple and non-technical. Present it, he said, as the ideal solution that will more surely, quickly and economically take care of the problem. "We should become excited and enthusiastic about the solution—not effervescent—but we should radiate enthusiasm. How can we expect our

SPARKS

from the firing line

By JOHN W. AGENT

John Doe has a wedding anniversary next month. He was undecided on the proper gift. Our man Brown suggested an annual premium annuity policy—something that would grow in value every anniversary—a present with a future. He sold the case.

* * *

Some one popularized the slogan, "I'd walk a mile for a Camel." Would you walk a mile for a \$1,000 case? One of our leading producers says he'd go across the city to sell a \$1,000 term policy on the quarterly basis. Big cases are fine but it doesn't pay to let inertia beat you out of the small ones.

* * *

Sam and John each have about \$200,000 in production thus far for each year. But Sam has sold 50 people to John's 10. Which one is building his insurance future on the soundest foundation?

* * *

Sam Barton makes a practice of a quick inspection of a prospect's office as he enters. If he sees an unusual picture, an athletic trophy, a golf paper weight or something of the kind he makes a remark about it; shows keen interest in it. Sometimes such a remark is the key to the door of the prospect's hobby and if that door is opened and Sam is allowed to enter, he usually walks out with an application.

* * *

They were trying to sell him the type of policy he needed. We took a tip from his attitude toward our competitors and merely tried to make it easy for him to buy the type of policy he wanted. We got the check.

* * *

One of the boys who has fallen seriously behind last year explains it as follows: "I've been too busy perfecting my system to permit many calls on prospects. As a result, I have a perfect system but no business!" No system is good unless it works.

prospect to get enthusiastic about it if we are not? No prospect is a self-starter," he said.

The mind of the prospect should be projected into the future to such a degree that he is more interested in that future than he is in the amount of the premium deposit, said Mr. Van Stralen. He urged also that the closing be short and simple with occasional "trial closes." Many underwriters talk too much, he said, because they have not definitely planned their closing efforts. Plan indirect closes, he said, and you will not talk too long.

In place of V. T. Motschenbacher, manager Sun Life, who was scheduled to speak, Carroll C. Day, Oklahoma City general agent of the Pacific Mutual Life, presented his talk on "The Philosophy of Living."

Mr. Day laid down five rules which, he said, underlie every successful sale any underwriter has ever made. These are:

- "1. Never argue.
- "2. Never talk life insurance (life insurance is a mechanical product—a means to an end).
- "3. Always talk life—life is warm, vibrant, and everyone is interested in life.
- "4. Get agreement on major issues.
- "5. Do not let the prospect write the rules. He doesn't know anything about it."

Starr Takes Over U. S. Life's Helm

(CONTINUED FROM PAGE 3)

The latter company and the Brooklyn National Life were merged last year.

The new lineup will allow Mr. Moir, who has spent the last 50 years steadily on the job to have more time for personal pursuits. He is regarded as one of this country's most distinguished actuaries.

Mr. Danner was for 17 years in the insurance business in the Orient, much of the time with the Sun Life of Canada. His last position there was district manager for Sumatra, Dutch East Indies. He also worked in British India and China. Returning to this country, he became an officer of the American International Underwriters. He is still a director of that organization, but at the time of his recent promotion, resigned as an officer. Almost exactly 20 years ago Mr. Danner was torpedoed in the Mediterranean on the British passenger vessel "Arabia," returning from India. He was picked up by a British patrol boat, after floating for two hours on a raft. He is a son of William M. Danner, general secretary of the American Mission to Lepers.

Former Brooklyn National Men

Mr. Green and Mr. Wulff came into the company via the Brooklyn National Life, the former having joined that company seven years ago and the latter two years ago.

The two new vice-presidents, Messrs. Smith and Selser, will handle investments, underwriting and agencies. Mr. Smith will be particularly in charge of real estate investments. Mr. Selser, who has been handling underwriting will broaden his activities to include the agency end. He was formerly with the Manhattan Life of New York, later going to the Brooklyn National. His entire business career, about 20 years, has been in the life insurance business.

Insurance Institute Has Meeting; Elects Officers

(CONTINUED FROM PAGE 3)

The Institute was not only to teach the forms and rules of insurance but the value of human relationships as well, and to point out that insurance belongs to no political party. Students should realize, he said, that insurance is primarily a service to mankind. J. A. Beha, general counsel National Bureau of Casualty & Surety Underwriters, and Association of Casualty & Surety Executives, was present as was G. Van Schaick, vice-president New York Life and former insurance commissioner.

Secretary Hardy in his report said there is an increase of over 500 in registrations this year over 1932 and the number of graduates receiving final certificates is steadily increasing. In reporting on the study groups formed, Mr. Hardy said it was found that these groups were doing excellent work in bringing agents of a community together. He recommended establishing in large centers a primary organization for a certain territory to serve as a parent body for auxiliary groups.

The following representatives from

various societies reported for their branches: Baltimore, F. A. Roloson; Boston, D. N. Handy; Cedar Rapids, R. E. Curran, president Inter-Ocean Reinsurance; Hartford, John Adams; New Haven, E. P. Stover and G. H. Fulton; New York, S. T. Skirrow, R. C. Angus and E. H. Kingsbury; Philadelphia, P. M. Fell and Kenneth Trotter; Springfield, Mass., E. E. Smith and R. M. Trask.

The secretary, in outlining the educational work of the Institute, said an increasing number of students are earning final certificates, with 297 this year. He also cited the wide range of inquiries about the courses, twice as many letters having been received this year as last. Almost all the United States, three Canadian provinces and 10 foreign countries were among the sources of inquiry.

He said that some way should be found to retain the interest of the associates (students completing one of the courses). Their membership has declined, while little change is noted in enrollment of companies, societies and fellows.

Insurance Leads in Office Tests

(CONTINUED FROM PAGE 3)

between himself and active management of the details of the business and the alert and aggressive type of executive who has probably come up through the ranks in the business. The latter type, he said, is easier to sell than the former on a program of scientific office management.

The conservative or even reactionary type of executive can often be sold on a temporary basis which later becomes permanent. He can more easily be induced to try something out for a week or a month than to introduce a complete program.

Mention of the strategy of getting an idea adopted by leading an executive to think that the suggestion is his own brought on much discussion of the wisdom of attaining a desired end even though it might mean letting someone else take the credit for it. Very often the most effective way to get an idea introduced is to show some ambitious junior executive the recognition that he can achieve by sponsoring the suggested idea. Someone mentioned that this method is often used by equipment salesmen in selling their wares.

Selecting the Point of Attack

The problem of selecting the point of attack in introducing improved office techniques received considerable discussion, as did the question of whether to attack office efficiency piecemeal or over a broad front. The predominant view was that it is better to attack at whatever point lends itself best.

The timing of improvement programs is also looked upon as important. One member of the panel expressed a view that too often the office management expert tries to rush through an improvement when the executives and department heads need more time to think it over. Mr. Rowland, said the office management man should be on the alert for conditions which make introduction

of an improvement timely. For example, a good time to install an improved accounting system would be just after a company had discovered that it had lost considerable money through failure to follow up its past due accounts systematically.

Many executives are accustomed to buying on demonstration, which makes the use of a single department as a labor in experimenting with new methods a desirable one, said Mr. Conarroe. The use of this procedure makes it possible to correct errors and devise improvements before the system is extended to other departments.

Robinson Is Chicago Speaker

C. C. Robinson, editor "Insurance Salesman," spoke Wednesday at a luncheon of the managers and general agents division of the Chicago Association of Life Underwriters. He reported the findings of a survey on "What the Agent Thinks of the General Agent."

A. E. Patterson, Chicago general agent of the Penn Mutual and president of the National association, made his first appearance at the general agents division since the Boston convention. He was called upon for a talk and spoke briefly on bringing about general adherence to the agency practices agreement, which limits large city offices to full-time men.

C. B. Stumes, chairman of the division, announced that on Nov. 10 the speaker will be George Schumacher, special agent at Cleveland of the Massachusetts Mutual and a life member of the Million Dollar Round Table. On Nov. 17 the New York Life will take charge of the meeting.

O'Connell Michigan Actuary

LANSING, MICH., Oct. 29.—Walter O'Connell, assistant actuary of the Michigan department, has been advanced to actuary. He has been with the department eight years, the past four as assistant actuary. For the past year no one has held the title of actuary although Mr. O'Connell assumed most of the duties following the shift of J. E. Reault, who was also chief examiner, to second deputy commissioner. Mr. Reault recently resigned the latter office to go with the Maccabees. W. C. Conley, who has been with the department for about a year, has been named assistant actuary. His earlier accounting experience was with the tax division of the auditor general's department.

Sales Clinic at Atlanta

ATLANTA, Oct. 29.—At the Atlanta Life Underwriters Association's business-getter sales clinic, Laurence Willett spoke on "Settlement Agreements as Sales Aids"; Bond Almand, president Atlanta Bar Association, on "Need for Closer Cooperation Between Attorneys-at-Law and Life Underwriters," and John Ashley Jones on "A Charted Lecture on the Life Underwriter's Day's Work."

Milton Bacon of Jacksonville spoke at the luncheon on "Thirty Years with the Dotted Line," the address given at the National association meeting in Boston.

The 1937 program is being worked out, with a state association sales con-

Hamilton Refers to James Roosevelt and Insurance

James Roosevelt, son of the President and member of the Boston insurance firm of Roosevelt & Sargent, drew attack from John Hamilton, chairman of the Republican national committee, which referred to the junior Roosevelt insurance activities.

James Roosevelt had previously come out with an attack on the administration of the school system in Kansas under Governor Landon.

"I am not surprised," the Hamilton attack stated, "at James Roosevelt indulging in misrepresentation. I can understand his distress at having his father go out of power. Perhaps he realizes that if his father were not president, and if it were not for the extraordinary power to annoy, persecute and overcharge corporations and individuals which is in the hands of the bureau of internal revenue under President Roosevelt, to say nothing of the new deal smearing committees, Mr. James Roosevelt would quickly lose the prestige of being No. 1 insurance salesman of America."

The New York "Sun" printed a list purporting to be of clients of Roosevelt & Sargent, as follows:

National Distillers Products Corporation, Associated Gas & Electric Co., Armour & Co., National Shawmut Bank of Boston, First National Bank of Boston, Eastern Steamship Co., Pennsylvania Dixie Cement Co., Port of New York Authority, Ritz-Carlton Hotel, New England Power Association, Roxy Theater, Waldorf-Astoria Hotel, Boston Braves baseball team, Stone & Webster Co., Detroit Edison Co., Ames Baldwin Wyoming Shovel Co., Pressed Car Corporation, Slater Mills of Webster, Mass., insurance on cotton shipped to China under \$50,000,000 loan by R. F. C., new Federal Office Building in New York.

gress in January, and a list of leading producers as speakers during the coming months.

Henry M. Powell, Georgia general agent of the State Mutual Life, will speak at Jacksonville Nov. 12, and Knoxville Nov. 27.

Rollin Young, vice-president, and J. W. McGee, supervisor for the Franklin Life, after attending the American Life Convention meeting, visited Texas agencies.

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